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Central Eurasia

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FBIS-SOV-94-158 *16 August 1994*

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ITAR-TASS Carries Press Review for 16 Aug

LD1608073094 Moscow ITAR-TASS in English 0534 GMT 16 Aug 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow August 16 ITAR-TASS—IZVESTIYA lead with reports about ex-parliament chairman Ruslan Khasbulatov's activity in the Chechen republic. According to the newspaper, Khasbulatov I calming [as received] the leading position in the north Caucasian republic. While the warring are feverishly arming themselves and getting ready for clashes, Khasbulatov is stepping up his "peacemaking activity," the newspaper says. But authorities in Chechnya view the efforts of their notorious compatriot with irony, it stresses.

ROSSIYAKSAYA GAZETA, KOMSOMOLSKAYA PRAVDA, NEZAVISIMAYA GAZETA and TRUD give front-page coverage to President Boris Yeltsin's riverboat journey. NEZAVISIMAYA GAZETA comment on the "compliment" paid by President Boris Yeltsin to Nizhniy Novgorod Governor Boris Nemtsov, who "might make a good president", according to Yeltsin. But according to the newspaper, "Nemtsov wants to retain his governorship for a second term of office and fears that the president's compliment might serve to discredit him", the newspaper muses.

"General Aleksandr Lebed sees the planned disbanding of the Fourteenth Army as a crime," writes SOVETSKAYA ROSSIA. "The reorganization of the 14th Army has been frozen," according to NEZAVISIMAYA GAZETA. "Does Russia need a front in Transdniestria?" wonders RABOCHAYA TRIBUNA. All the above titles cap articles devoted to the latest developments around the Russian army stationed in Moldavia's Transdniestrian region. KRASNAYA ZVEZDA (RED STAR) explains that the ballyhoo comes in the wake of the announced transformation of the army into a more effectively managed organisational and personnel structure. The newspaper cites First Deputy Commander of Russia's Land Forces Colonel General Eduard Vorobyov as saying that the move came on the heels of an understanding between Russia and Moldavia on the withdrawal of Russian troops from Moldavian territory.

"The government is preparing new sinecures for corrupt bureaucrats," writes IZVESTIYA. They are bound to appear if the government okays its resolution on licensing certain kinds of activity. The resolution, according to IZVESTIYA gives a blanket protection to some 80 kinds of activity to engage in which individuals will have to obtain permission from federal ministries or bodies of executive authority. Each of the kinds of activity listed in the new resolution is defined in such broad terms that the entire entrepreneurial activity is likely to be covered by them.

In ROSSIYSKAYA GAZETA, economist Yevgeniy Yarin comments on "an analysis of the emotional-political and economic situation in the country", prepared by the institute of experts of the Russian Union of Industrialists and Entrepreneurs.

ROSSIYSKIYE VESTI carries a letter from a farmer who describes new methods used by the "collective farm swampland" to combat new economic structures. The letter is titled "A Moral and Financial Noose as the Best Weapon Against Farmers".

Under-Secretary-General of the United Nations Vladimir Petrovskiy in an exclusive interview with the newspaper discusses the role of law in a new world order.

In the same newspaper, Pavel Anokhin reports glaring facts of corruption among government officials in republic of Udmurtia.

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U.S. Military Overtures to CIS Countries Noted

MM1508142594 Moscow KRASNAYA ZVEZDA in Russian 13 Aug 94 p 2

[Commentary by Manki Ponomarev: "United States Expands Cooperation With CIS Countries"]

[Text] During his visit to the United States, just ended, Armenian President Levon Ter-Petrosyan met with Pentagon chief William Perry. They discussed security problems in the Caucasus region and a number of other questions, relating above all to the development of U.S.-Armenian military cooperation and the settlement of the Nagorno-Karabakh conflict.

Ter-Petrosyan and Perry signed a joint statement on questions of defense and military cooperation. It expresses a mutual desire for a peaceful solution of the Nagorno-Karabakh question. Armenia declared its interest in the NATO "Partnership for Peace" program and participation in it, and also in the elaboration of an international program of military education and training.

The joint statement notes that the sides agreed to take additional steps to develop their cooperation in the military sphere. In particular, it was decided to exchange military attaches. The United States expressed its intention to contribute to the further development of the Armenian army under the control of democratic and civilian institutions.

Armenia is not the only CIS state with which America is developing relations in the military sphere. It is reported from Washington that, in view of the fact that Ukraine and Belorussia [Belarus] are carrying out their pledges on disarmament, above all nuclear disarmament, the United States is accelerating the provision of the requisite aid. Now that Kiev is dismantling nuclear weapons, a Pentagon spokesman said the other day, it is expected to take the next step and join the Nuclear Nonproliferation Treaty. Ukraine would then receive appropriate security guarantees.

As for Belorussia, the same U.S. Defense Department spokesman said, talks are being held with it on assistance in the elimination of some types of conventional armaments in accordance with the Treaty on Conventional Armed Forces in Europe and on some other matters.

Editorial Views Pentagon's 1995 Budget

MM1508144394 Moscow PRAVDA in Russian 13 Aug 94 p 3

[Report by Vladislav Drobkov: "Everything Including Stealth Bombers. Compromise Pentagon Budget Worked Out By Senate and House of Representatives Will Cost Americans $263.8 Billion"]

[Text] Washington, 12 Aug—After a dogged behind-the-scenes struggle and political maneuvering representatives of both houses of Congress have finally worked out a compromise U.S. military budget for fiscal year 1995. This begins, as is well known, 1 October this year, and for the next 12 months the Pentagon will be allowed to spend around $263.8 billion on the defense of the United States.

This is almost $500 million more than President Bill Clinton's administration requested for 1995. In the course of long debates and behind-the-scenes political games the Congressmen concluded that the administration had not taken account of all of America's defense needs and that its draft budget needed rectifying. It has to be said that the legislators have done a pretty good job of editing the executive's requests.

Thus, they have considerably increased the annual supplement to servicemen's pay. The administration proposed increasing the pay of officers and men by 1.6 percent. The Congressmen pushed that up to 2.6 percent. At the same time, they completely cut the $300 million proposed by Clinton for the funding of UN peacekeeping efforts. They also refused to allocate the administration's request for $606 million for new enhanced-operational-readiness attack missiles. The executive's request for the development [sozdaniye] of a ballistic missile defense system was cut back by $500 million. Incidentally, even after this cut the program looks pretty impressive—$2.8 billion will be allocated to it.

At the same time, the Congressmen decided, contrary to the President's opinion, to continue funding production of components for new B-2 stealth bombers. They also increased at their own initiative appropriations for the production of "smart" bombs able to home in on enemy targets.

The biggest item in the Pentagon budget after expenditure on the upkeep of servicemen will be the appropriations for environmental clean-up operations at military bases that are either due for closure or are being preserved. $5.8 billion is being allocated for these purposes. Another $3.5 billion will be allocated for conversion and to help defense enterprise workers who have been let go. That is an example worth following!

Major appropriations in the new financial year will also be channeled into developing and upgrading combat hardware—the arms race, as it was customary to say until quite recently. Against the backdrop of the emasculation of the Russian military budget and the wholesale reduction in the funds allocated by Moscow for purchases of new weapons for its Army, the allocation by the U.S. Congress of $3.6 billion to build a new aircraft carrier, $2.7 billion for three missile destroyers, and $2.5 billion to continue work on the development of the F-22 fighter-bomber looks very impressive.

Around $2.4 billion will be spent in the new year on C-17 military transports, despite extensive criticism of the project in the Congress and the local press. $1.1 billion will be allocated for the purchase of F/A-18 attack aircraft for the Navy. $607 million will be spent on the

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development of the Milstar-2 space-based communications system, and $507 million on developing a new attack submarine.

The new military budget also includes an item that has appeared recently for expenditure on aid and support for the former potential enemy No. 1. In the new fiscal year the Pentagon will be given around $400 million to help Russia and the other former Soviet republics dismantle and eliminate their nuclear arsenals.

Both houses of Congress are expected to vote through the compromise Pentagon budget next week. After this it will go for signing to the U.S. President, who will find in the draft from the Senate and House of Representatives many differences from his own initial requests and plans.

Commentator Views U.S. 'Cold War' Defense Spending

LD1408021494 Moscow Radio Moscow World Service in English 1910 GMT 13 Aug 94

[Commentary by political observer Valentin Zorin; from the "News and Views" program]

[Text] The question of whether the cold war is over may seem a rhetorical one. The unequivocal answer would seem to be known to everyone. However, confronted with the hefty lump of $232 billion allocated to the Pentagon for the next fiscal year, we wonder again and again whether the cold war is really a thing of the past or not. Far from staying at the peak cold war level now, the U.S. defense expenditure is officially predicted to stick there till the turn of the century at the very least. [sentence as heard]

It's certainly considering why Washington is so devotedly committed to squandering an appreciable part of the U.S. national product on replenishing its huge arsenals. Ten, or, say, 15 years ago, American taxpayers were repeatedly reminded of the dangers posed by the military might of the Soviet Union. Now that the Soviet Union is no more, no sensible person is likely to regard Russia as posing a military threat. With the global situation dramatically changing, no major changes appear to have occurred in the mentality, and what's more, in practical approaches of some of the U.S. present-day top leaders.

Those people are out of step with the reality of the contemporary world scene. Russia has largely put an end to negligent squandering of its precious resources on the arms race. That being apparent, nothing of the sort is happening in the U.S.

Our political observer says that were it not for the U.S. huge defense expenditure, the Russian leadership would have much less difficulty in overcoming the stubborn resistance of Russia's own military industrial complex. The peaceful conversion would be less painful with results much more tangible.

The final quiz [as heard] is that of the root cause behind the U.S. administration's reluctance to revise the scandalous defense expenditure habits inherited from its predecessors. There seems to be no other cause but the vested interests of the U.S. defense corporations striving to upkeep their business profits. Their sway over official Washington is still formidable and often overwhelming. It's for their vast profits rather than for the sake of the American people that the current level of defense spending is indeed being maintained.

Clinton's Bid To Lift Bosnia Arms Embargo Criticized

LD1608123494 Moscow ITAR-TASS World Service in Russian 1146 GMT 16 Aug 94

[By ITAR-TASS diplomatic correspondent Andrey Shtork]

[Text] Moscow, 16 Aug (ITAR-TASS)—U.S. President Bill Clinton's raising of the issue of lifting the international embargo on supplying weapons to Bosnia-Herzegovina cannot be called timely. Grigoriy Karasin, director of the Russian Federation Foreign Ministry's information and press department, said this today at a briefing for Russian and foreign journalists.

The possibility, the Russian Foreign Ministry's official spokesman continued, was mentioned during the talks in Geneva only as a final, last-ditch measure. The danger connected with it is that lifting the ban on weapons supply could inspire the forces in Bosnia which would prefer a military resolution to the problem.

Moreover, G. Karasin noted, it is quite probable that the lifting of the embargo would lead to the contingent of UN peacekeeping forces being withdrawn and Bosnia might be virtually plunged into uncontrollable bloodshed, which is an extremely somber scenario.

UN Envoy Calls For 'Fitting' Response Over Bosnia

LD1608133494 Moscow Ostankino Television First Channel Network in Russian 1200 GMT 16 Aug 94

[From the "Novosti" newscast]

[Excerpts] Speaking at a consultative session of the UN Security Council, Yuliy Vorontsov, Russia's permanent representative at the United Nations, who is currently chairman of the UN Security Council, declared that the international community must give a more fitting response to the Bosnian Muslim offensive against Serb positions. A warning from the UN Command in Bosnia alone is not enough. The high-ranking Russian diplomat believes that unless more decisive steps are taken, retaliatory actions by the Serbs could ensue, leading to a resumption of large-scale military action throughout the whole of Bosnia-Herzegovina. Vorontsov considers that if events develop in that way, Yugoslavia is unlikely to

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remain on the sidelines, and the prospects for a peaceful settlement of the conflict will again be cast aside. [passage omitted]

Russian 'Interest' at Stake in Yugoslavia

MM1508080194 Moscow KRASNAYA ZVEZDA in Russian 13 Aug 94 p 2

["Topic of the Week" article by Sergey Sidorov: "The Balkans: Is Russia Not Threatened With the Role of Shakespeare's Moor?"]

[Text] If a profound crisis has its critical points, that moment has arrived in the Bosnian settlement. The Bosnian Serbs' refusal to say "yes" to the international mediators' latest plan has given rise to the threat of a toughening of the sanctions against the Federal Republic of Yugoslavia [FRY] (Serbia and Montenegro), which in turn has created new grounds for conflict between the Serbian leadership in Belgrade itself and Serbian leaders in Bosnia. Following Russian Foreign Minister Andrey Kozyrev's visit to the Serbian capital the conflict developed into an open split: Belgrade announced the introduction of even tougher sanctions against Serbian Bosnia than the UN sanctions against the FRY. Andrey Kozyrev's assurance of Russian support for Serbia and in particular his promise to submit an initiative for the phased lifting of sanctions against the FRY was a crucial factor.

The first results of the crisis within a crisis are extremely important for the situation in Bosnia. Muslim government troops have defeated West Bosnian autonomists—the moderate "European" current among the Bosnian Muslims who, after rebelling against the central government in Sarajevo, advocated immediate peace with the Serbs. The upshot being a dramatic increase within the Sarajevo leadership of the uncompromising fundamentalist wing, ready to wage a "jihad" to a victorious conclusion. The united Croatian and Muslim forces have begun to oust the Serbs from central Bosnia and from the area of the northern corridor around Brcko. General Michael Rose, commander of the "blue helmets" in Bosnia, who is well aware of the kind of war that will start if the Croats and Muslims succeed in changing the status quo around the corridor, which is of critical importance to the Serbs, promised to bomb all bases indiscriminately in the event of the broadening of combat operations.

Regrettably, military escalation as one of the consequences of the attempt by the "Contact Group" countries (the United States, the European Union, and Russia) to impose the latest peace plan on the Bosnian sides is already a fact. The conflagration will flare up still further if the United States carries out its threat to get the embargo on arms shipments to the Bosnian Muslims lifted.... The expansion of the Bosnian war poses a serious danger to Europe and Russia. So, in the near future Russian diplomacy and Russia's ability on the whole to play the role of a great power rather than Shakespeare's Moor, who, after doing his job, "may leave," will be seriously put to the test.

Let me explain what is going on. It is no secret that within the framework of the coordinated "Contact Group" approach Russia was to do roughly what the United States did somewhat earlier. As you know, Washington used Germany's influence on Zagreb and Zagreb's influence on the Bosnian Croats to force the latter to "make it up" with the Muslims and form a Bosnian federation de jure, which would join a confederation with Croatia. The U.S. intervention proved fruitful. Then came Russia's turn.

It also had to persuade the Bosnian Serbs to end the hostility with the Muslims, enter into federative relations with them, or form a Union between their own state and a Croatian-Muslim federation with the possibility of subsequently forming a confederation with the FRY. This has not so far proved possible. On the other hand it has proved possible to draw a line that the West can understand between the "peace party" in Belgrade, which Russia promised protection, and the "war party" in Bosnia, with which all contacts have been temporarily suspended. Does this effectively spell failure?

Not at all. Moscow was faced with a task that was known to be more complex than that facing Washington. Russia had in some respect to overcome itself. Imagine, was it easy for Moscow to articulate in the face of its Western partners the Serbs' right to self-determination in a Bosnia-Herzegovina that has broken away from Yugoslavia in the context of, say, the Crimean problem or that of the Russians in Estonia?

Second, drawing a line between Belgrade and Serbian Bosnia makes it absurd and pointless to continue international sanctions against the FRY, never mind tighten them up.

However, can this be called success?

Russian diplomacy will only celebrate a definite success if it is able to persuade its Western partners to loosen the noose of sanctions against Belgrade in the very near future. And there is every indication that this will be extremely difficult. A few days ago FRG Foreign Minister Klaus Kinkel made the lifting of the sanctions against the FRY conditional on the Republic of Serbian Krajina's returning to Croatian sovereignty and on the question of Kosovo (the area in southern Serbia inhabited primarily by Albanians) being resolved. In other words the West is not linking the sanctions solely with the war in Bosnia, which reveals some additional Western interest in continuing the pressure on Yugoslavia.

It will not be enough now for Moscow to talk about the counterproductive nature of sanctions against the FRY. Having laid domestic political stability on the line (the split has really fired up the public in Serbia and Montenegro, including the Serbian Orthodox Church), Yugoslavia expects equivalent compensation from Russia for

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the Serbian split. If Moscow is unable to persuade the United States and the Europeans to decide to lift or ease the sanctions, it will be not compensation but payment that is demanded from it as well as from the Belgrade leadership.

Only the leadership in Belgrade will most likely pay with the loss of its authority within the country and in Serbian Krajina, while Russia will most likely pay with its prestige as a world power and what is left of its reputation as a reliable partner. Russia's loss of its traditional influence on the Serbs for the indefinite future can be spoken of as a fait accompli.

The picture I have painted is not an attempt to deliberately lay it on thick but a fairly real prospect for which definite forces in the West are now striving. Whether Russia is able to defend its interest in this part of Europe or not depends exclusively on Russian diplomacy's activeness and determination in the coming weeks.

Yeltsin Praises 14th Army, Lebed's Role

LD1508170594 Moscow INTERFAX in English 1412 GMT 15 Aug 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] President Boris Yeltsin in an interview with Interfax has praised the role that Russia's 14th Army and its Commander General Aleksandr Lebed had played in defusing the Transdniestrian conflict.

He said he would never forget what the Army and its commander had done to prevent major bloodshed there in 1992.

Yeltsin described the region as one of the few troublespots of the former Soviet Union where the conflict had been defused and violence stopped largely due to General Lebed, who played a great part in bringing the situation under control. The president warned against attempts to try to fan it up artificially by any action or decision making. "This is totally out of line with Russia's interests. The price will be too high", Yeltsin said.

Lebed himself, in an exclusive interview with Interfax on Monday, said the Russian president's statement would help avert an artificial fuelling of the already high tension in the Army deployed in Transdniestria.

He described it as a superb starting point to bring things within the framework of common sense. "It is wonderful that the president has announced his position on the question of the 14th Army", Lebed said.

The general also pledged to justify Yeltsin's confidence that the 14th Army was in full control of the situation in the region.

There have been widespread speculations about Lebed's possible dismissal as Army commander following the defence minister's directive on the reorganization of the 14th Army Command. For his part, Lebed at a news conference in Tiraspol on Sunday mounted scathing criticism of the recent agreement between Moscow and Kishinev [Chisinau] on the Army's withdrawal from Moldova within a three year period. He said he did not want to carry out without murmur the decision on disbanding the Army with no regard for the situation as it was now. "If need be, I will resign given that I will have served all of 25 years in the armed forces exactly on September 1", Lebed said. At the same time, he denied reports saying that officials in Moscow wanted his resignation. The general said that no offer of any new post was made during his recent visit to the Russian capital. As supreme commander-in-chief of the armed forces, the president is alone entitled to sack an army commander.

Lebed: Yeltsin Statements Calm Tension in Dniester

LD1508142894 Moscow INTERFAX in English 1258 GMT 15 Aug 94

[Text] General Aleksandr Lebed, commander of the Russian 14th Army, told Interfax's Vyacheslav Terekhov that President Boris Yeltsin's statement praising both the 14th Army and its commander would prevent the escalation of tensions, already running high, in Transdniestria [Dniester Republic].

Lebed said that Yeltsin's remarks put the whole issue on the plane of common sense.

Yeltsin told Interfax Sunday that the situation in Transdniestria must not be allowed to deteriorate as a result of any rash actions or decisions. Interfax asked Yeltsin to comment on speculations that Lebed would be transferred to another post.

Lebed said that somebody had intended to eliminate the 14th Army command over a surprisingly short time, before September 1. Lebed explained that even if the army was disbanded, the command must be the last element to be disbanded.

According to Lebed, the intention was to place the 14th Army units under a division's command. This would be tantamount to making a division commander responsible for the over 50 units normally subordinated to the army Lebed pointed out. He believed that the sole purpose of this proposed reform was to fire him.

Before reducing the size of the 14th Army, Lebed emphasized, its men must be socially protected. Not a single officer, he said, can be left homeless.

Lebed said he cannot guarantee living quarters to his officers with the 14th Army receiving as little as 4.8 billion rubles out of the promised 13.3 billion for housing construction. This means, Lebed said, that a maximum of 250 apartments will be built out of the 685 planned for this year.

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He emphasized that he will prove the president right when he said that the 14th Army is in full control of the situation in Transdniestria.

Lebed Seen as Crucial To Dniester Stability

MM1608080194 Moscow IZVESTIYA in Russian 16 Aug 94 pp 1, 2

[Report by Viktor Litovkin: "Russian President Defends General Lebed: Defense Ministry Could Alter Its Directive"]

[Text] There has been a new twist in the fate of Russia's Dniester region 14th Army.

Answering a question from INTERFAX correspondent Vyacheslav Terekhov about his view on the role and future of Russia's 14th Army and its commander, General Lebed, President Boris Yeltsin spoke highly of their activity in the Dniester region. Stressing that he "understands what's what," the president said: "I well remember and will never forget the role played by the 14th Army and its commander in preventing large-scale bloodshed in the Moldova region in 1992."

"It is one of the few trouble spots of the former Soviet Union which we managed to cool down and where we halted the violence. And that is largely thanks to General Lebed. The fact that the situation there is now under control is testimony to his great role." Yeltsin unequivocally stated that "any artificial aggravation of the situation by any actions or decisions whatsoever" is inadmissible. "That runs absolutely counter to Russia's interests. The price will be too high," the president stressed, according to INTERFAX.

I read this agency report over the telephone to a high-ranking Russian Defense Ministry official. Asking to remain anonymous, he told me that "if the president did say that, it means that Lebed will remain head of the 14th Army, while the directive reforming its command structure will be suspended."

At the same time he noted that the work of properly organizing the 14th Army's structure and its subordinate and attached units and subunits will have to continue anyway, because the Russian Armed Forces cannot have existing within them such an incredible and difficult-to-command conglomerate of diverse and mutually incompatible military units as developed out of the disintegration of the Odessa Military District in the Dniester region.

For example, you have there subunits of naval aviation, which has long since ceased to exist in Moldova. There is an air defense command post, technical service stations, and a further 15 units of which merely the name and a few officers remain and which have no specific work. The combat-engineer brigade in Dubossary and the pontoon-bridging brigade in Rybnitsa have their own special entry on the list of such units. They appeared in the Dniester region when the headquarters of the southwestern sector of the Soviet Army was located in Kishinev [Chisinau] and it was intended that Soviet units would, in the event of war, cross the Dniester, the Prut, the Danube...with the help of combat engineers and pontoneers.

There is no such requirement now, and the combat-engineer and pontoon-bridging brigades are very much needed to bring newly created operational areas in Russia up to strength. But the Dniester region leadership has categorically opposed the withdrawal of these and other Russian units from its territory. They have declared the servicemen of the 14th Army to be an integral part of their people and its equipment, weapons, combat hardware, and munitions stored at strategic depots to be their property. That is why the Tiraspol delegation walked out of the 10th round of Russian-Moldavian talks and did not sign the Agreement on the Legal Status of the Russian Military Formations and the Procedures and Timetable Governing Their Withdrawal from the Territory of the Republic of Moldova.

Many commentators link General Lebed's move against the unwise reform of the 14th Army's command structure not with the general's conflict with the Ground Forces' leadership, whom the Russian Defense Minister has ordered to implement the directive signed by him, but with the difficult situation that has developed around the Russian military units in the Dniester region since its promulgation.

The reorganization of the Russian military formations without the presence of a strong-willed and resolute commander there and without consideration of all the factors influencing the situation in and around Tiraspol, including the crime factor, could lead to large-scale plundering of strategic depots containing weapons, combat hardware, and munitions, the aggravation of the situation within the army itself, the army's coming into conflict with the Dniester region's power structures, and, consequently, large-scale bloodshed. Only Aleksandr Lebed, supported by tried-and-tested officers in the army command structure, can prevent that today.

Clearly the Russian president was also guided by such considerations when he warned Russian Defense Ministry officials that "any artificial aggravation of the situation (in the Dniester region—V.L.) by any actions or decisions whatsoever" is inadmissible.

Russian Withdrawal Agreements Viewed

MM1608101594 Moscow KRASNAYA ZVEZDA in Russian 16 Aug 94 p 1

[Report by Gennadiy Miranovich: "Troop Withdrawal from Moldavia Can Be Civilized if It Is Prepared Seriously"]

[Text] That is what journalists were told at a briefing devoted to the results of the 10th round of interstate talks in Kishinev [Chisinau] by Colonel General Eduard

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Vorobyev, first deputy commander in chief of the ground forces, who heads the military section of the Russian Government delegation.

So far it is hard to say what the withdrawal mechanism will be like because the agreement reached at the talks will enter into force only after passing through all the procedures existing in our state in connection with the approval of acts of this kind. Joint commissions of experts which still have to be created will apparently draft it. But the fact that the sides have finally managed to agree on the legal status, procedure, and deadline for the withdrawal of the Russian military formations temporarily on Moldavia's [Moldova's] territory, as our contingent is now called, of itself is undoubted progress in resolving a long urgent problem.

First, after the document elaborated during the talks has entered into force, there will be an end to the infuriating stories about "imperial manners" on the part of Russia, which keeps its army on the territory of sovereign Moldavia without any status and which allegedly does not want to withdraw it. Second, a compromise has been reached on the issue of the deadline for withdrawal, which makes it possible to carry it out in a civilized manner, without any detriment to the sides' state interests or to the interests of the Russian servicemen and members of their family. In the opinion of the experts, the three years over which it is proposed to effect the troop withdrawal after the agreement enters into force are enough, if the matter is well organized, to resolve a problem of paramount importance—providing the servicemen with housing on Russian territory. As KRASNAYA ZVEZDA has already written, it is largely thanks to the efforts of Lieutenant General Aleksandr Lebed, commander of the 14th Army, that this problem is being resolved. Housing for officers and ensigns from the contingent to be withdrawn is being constructed in a number of large cities. They include Krasnodar, Novorossiysk, Voronezh, and others. Although here as, indeed, on other issues connected with the practical implementation of the withdrawal, there are still many details to be resolved.

One is the state's debts for the construction of the 399 apartments which it was planned to commission this year. These debts total 4.1 billion rubles [R]. Another detail is that, as we know, the agreement envisaged by the delegations' leaders provides for the synchronization of the withdrawal of troops and the determination of the status of the Dniester Region. Nonetheless, knowing this, the Dniester Region delegation which took part in the talks refused to attend when the document was signed, stating that the adoption of the decision to withdraw troops before a political solution of the question of the Dniester Region's status is unacceptable. Moreover, to the Dniester Region's previously stated claims to the movable property and real estate of the military contingent there has now been added the statement by General Stefan Kitsak, the leader of their delegation, to the effect that the Dniester people, who have lived and developed with the Russian troops for over 200 years, regard their personnel as an inalienable part of themselves as well.

Thus many knots still have to be untangled. And to all appearances it will now be impossible to do this without publicity, "quietly," as the pontoon, float bridge, and ground attack regiments, missile brigade, and several other subunits were withdrawn in the past.

What solutions can there be here? Kishinev for one believes that movable property belongs to Russia and it has the right to dispose of it as it sees fit. And we, as Colonel General Vorobyev noted, proceed from the premise that nonmilitary equipment (tractors, bulldozers, freight trucks, and so forth) can be sold on the spot. This principle is included in the draft agreement on property issues which states that the sale of combat equipment, weapons, and ammunition (that is everything which could be used by the conflicting sides against each other) is possible on Moldavian territory only on the basis of individual agreements. The Moldavians propose to use real estate as incorporation capital for the creation of joint ventures, money from which would go to construct housing for Russian servicemen. In their opinion the housing of those who do not stay in Moldavia when withdrawal is effected (and our officers and ensigns are mainly provided with housing there) could be privatized and sold by auction. Unfortunately, Moldavia has not yet found other sources for a proportional share in the construction of housing for our servicemen.

In brief, options which are sometimes mutually exclusive are being proposed but for all the diversity and discrepancy of the sides' viewpoints the search for common approaches must be continued. And that such approaches exist is borne out by the agreements which have already been achieved. After all, apart from the basic document cited, the delegations have elaborated a whole package of others putting in order flights by Russian military formations on Moldavian territory including their use of the airfield at Tiraspol, pension provision for former servicemen (it is planned to give all of them, irrespective of citizenship, pensions based on Moldavian norms), and so forth. But the main thing, which cannot fail to instil hope in the quest for ways of reaching agreement in resolving at first glance seemingly insoluble problems is the understanding of one simple thing: On both the left and right bank of the Dniester people link their future with Russia.

Signs of this became more noticeable after the election of Moldavia's new parliament which, in General Vorobyev's opinion, makes it possible to embark on the implementation of the plan previously coordinated with the Russian Federation Armed Forces General Staff, the Ground Forces High Command, and the 14th Army command for the gradual transformation of the Russian military formations temporarily on Moldavia's territory into "a more conveniently manageable organizational staff structure." It is proposed to transform a certain

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proportion of the military organisms left there from the Odessa Military District (and there are over 50 of these) with a view to the full staffing of the most effective formations, primarily the 59th motorized rifle division, which makes up the basis of the 14th army. A decision will be made for each officer on a personal basis. There can also be variations here: transfer to Russia or to a vacant post at their place of service or release (for those who have served the stipulated period and are provided with housing).

On the basis of the more than halved command [upravleniye] of the 14th army it is proposed to create a task force to which all Russian troop formations on Moldavian territory will be attached until the agreement of the withdrawal mechanism. When will their withdrawal begin and what will the procedure be? We will find out only after the agreements reached at the talks are approved at state level. Right now it can only be supposed that the first to leave for Russia will include the combat engineer brigade and float bridge brigade, for which, as Colonel General Vorobyev noted, there is no need in the region. As we know, these brigades were part of the troops of the Soviet Army's Southwest axis.

Actually, we shall not anticipate events. After all, a considerable amount of work still has to be done to ensure that the withdrawal is indeed nonviolent as planned and painless to all those involved in the solution of such a multifaceted problem. And the m ore openness there is in this work both in relations with each other and in relations with the press, the more chances there will be of making the withdrawal that way.

Incidentally, as is already known, army commander Lebed, who had been on vacation and for whom several Moscow newspapers had begun a "hunt" in their pages, has arrived safely back in the 14th army. To all appearances he has arrived with his own vision of the management apparatus under his subordination. Does that mean details are also possible here?...

Arms Buyers Converge on Tiraspol

LD1508154594 Moscow Russian Television Network in Russian 1200 GMT 15 Aug 94

[By presenter Mikhail Ponomarev; from the Vesti program]

[Text] The command of the 14th Army stationed in the Dniester region called a meeting of officers to establish the view of personnel on the reorganization of the army command.

"Morale has improved since Commander Aleksandr Lebed broke off his holiday and returned to the army on Sunday, we know what to do now," the military commandant in Tiraspol, Mikhail Bergman, told an ITAR-TASS correspondent. He said that "after rumors about the coming reorganization of the army in the Dniester region, groups of arms dealers from all corners of the earth flocked to the area in the hope of profiting from the situation."

Mikhail Bergman, and commander Aleksandr Lebed himself, have been saying for the last two weeks that virtually the entire mafia has converged on Tiraspol to buy up the weaponry of the 14th Army. The uninitiated might gain the impression that while the army command is being reorganized, all guards on weaponry and munitions depots are removed, and that officers and men just fling away their allotted weapons and disperse to their homes to till the land, as was the case in 1917. If this really is the case, then this sort of regular army formation should be described not as an army but as something rather different.

Army Reform May 'Exacerbate' Moldova Tension

MM1608091794 Moscow TRUD in Russian 13 Aug 94 p 1

[Report by Petr Rashkov incorporating interview with Colonel General Eduard Vorobyev, first deputy commander in chief of Russian Ground Forces; date, place of interview not given; published under "View of the Situation" rubric: "Have They Been Too Hasty Again?"]

[Text] Two days of Russian-Moldovan talks have ended in Kishinev [Chisinau].

The sides agreed that the Russian military formations temporarily located on Republic of Moldova territory will be withdrawn within three years from the day an agreement is signed.

The document provides for a mandatory simultaneous political settlement of the Dniester region conflict and determination of a special status for Moldova's Dniester region.

Ambassador for Special Missions V. Kitayev, head of the Russian delegation, noted that the agreement stipulates that the troop withdrawal and political settlement are synchronized and completed simultaneously.

Deputy Foreign Minister N. Osmocescu, head of the Moldovan delegation, was more categorical. He believes that the agreement should come into force once drawn up in an appropriate fashion and that the deadline for its implementation should not depend on the problems of the Dniester region's status being solved.

Obviously this tough position on the Moldovan side's part has influenced the actions of the Dniester region delegation, which attended the talks as an observer. On the second day of the talks the Dniester region representatives walked out of the talks on the pretext that their opinion, which expresses the mood of the region's population, was not being taken into account and for that reason they could not take responsibility for implementing the agreement.

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The Dniester region delegation's statement also talks about the impermissibility of a Russian troop withdrawal before a political decision has been made on the Dniester region's status, because a reduction in peacekeeping forces will lead to an imbalance in the region and a new twist of confrontation.

The situation in Tiraspol, where a reorganization of the 14th Army command has begun, is complex. First, it has been inflamed by the numerous comments by both Russian and local mass media viewing these measures as merely a Moscow attempt to remove Lieutenant General Aleksandr Lebed, who has become a nuisance, from his post. Furthermore, for the first time in all the years of talks there was no discussion of the 14th Army as a combat unit. Only Russian military formations were discussed.

It is indeed hard to understand why a thoroughly essential task is being carried out so hastily and in the absence of the army's commander, with all this timed to coincide with the troop withdrawal talks.

Gen. Lebed's standing among the troops is extremely high, which is why the hastiness of the decisions led to an explosion of indignation in the former 14th Army's officer corps.

"We are obliged to bring the command into line with military formations," Colonel General E. Vorobyev, first deputy commander in chief of Russian Federation Ground Forces, explained. "If an army has many fewer military formations and personnel than its establishment prescribes, the numerical strength of the command apparatus must be reduced. This should have been done long ago, but we showed forbearance and did not force events, taking account of the complexity of the situation in the region. Now, following the presidential election, the situation in Moldova itself and around the Dniester region is more favorable. So we made a long-overdue decision, which many are now calling rash.

"As regards Gen. Lebed," Vorobyev went on, "nobody has left him in the dark about the measures being carried out in the army. I met him on 25 July, we discussed things calmly, and he stated that he would be on leave until 25 August. If Lebed wants to come to Tiraspol to lead the reform of staff structures, he will not be refused permission to do so. Whether he will stay to command the Russian formations, I cannot say. Nobody has removed the general from his post, he has not been offered any other posts, and there has been no talk of this."

Col. Gen. Vorobyev gave an optimistic assessment of the situation in the 14th Army. According to his information, of the 230 staff officers around 170 have decided to serve in the Russian forces and 70 officers of the appropriate age and with the appropriate length of service have agreed to be discharged. Only seven will remain in Moldova's Dniester region. In the region, not in the Dniester region armed forces...."

It is hard to contradict a senior general, but according to other information over 200 officers of the former 14th Army staff think otherwise, because the vast majority of them come from the the Dniester region and do not wish to leave their homeland.

It is hard to say how the fate of Russian military personnel and the region will unfold. Currently troops and inhabitants in Tiraspol are awaiting the disgraced Gen. Lebed's return. If the rumors of the transfer of officers to local military formations are confirmed, hardly anyone will dare predict future events. For now observers agree that the Russian Defense Ministry's actions in reorganizing the 14th Army are indeed rash and could exacerbate the already complex situation in the region.

Moscow To Deliver Oil to Crimea in Exchange for Food

LD1508194994 Moscow INTERFAX in English 1800 GMT 15 Aug 94

[Text] Moscow and Simferopol have concluded an agreement on the export of oil products from Russia to Crimea in exchange for delivery of vegetables, fruits and other food products for Russian consumers, sources in the Crimean Government told the Petroleum Information Agency.

In particular, during this year Russia is expected to deliver to Crimea about 15,000 tonnes of diesel fuel costing $2.5 million ($165 per tonne), more than 7,000 tonnes of A-76 petrol costing $1.3 million ($175 per tonne) and 500 tonnes of diesel oils costing $0.3 million ($630 per tonne). In exchange for this Russia will receive apples, pears, grapes, different brands of wine and other food products costing more than $4 million.

The agreement provides that all export-import operations will be carried out through the Russian Roskontrakt federal contract corporation representing Russia and the Crimean Agricultural Ministry and the Krymsovkhozvinprom organization representing Crimea.

Russian Firm To Join Caspian Oil Consortium

MK1208124194 Moscow KOMMERSANT-DAILY in Russian 12 Aug 94 p 3

[Report by Marat Salimov: "New Oil Project. Russian Interests To Be Represented at Caspian Consortium"]

[Excerpts] The preparation for signing a contract for the joint development of the Azeri and Chirag oil fields in the Caspian Sea shelf with a consortium of Western oil companies was completed in Azerbaijan yesterday. The contract is scheduled to be signed in the United States from 15 to 25 August. The final version of the contract gives Lukoil, a Russian oil company, a 10-percent share in the project. Notably, the participation of the Russian company will help the Russian Fuel and Energy Ministry

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retain control over oil production and transportation on the territory of the former USSR. [passage omitted]

The Azerbaijani opposition is paying close attention to the upcoming signing of the contract. In the view of Nazim Imanov, deputy chairman of the opposition Azerbaijani National Independence Party, the signing of the contract will be a step toward integrating the Azerbaijani economy into the world economy and will add a hefty amount to the republic's hard-currency earnings, which will make it possible to cushion the painful process of its transition to a market economy. There are also diametrically opposed views, however. Zardusht Alizade, deputy chairman of the Azerbaijani Social Democratic Party, said that the version of the contract that has been prepared for signing does not meet Azerbaijan's requirements, but it is fairly profitable for the clan that rules the country. Alizade meant the Aliyevs clan (Ilkham Aliyev, Geydar Aliyev's son, is vice president of the State Oil Company of Azerbaijan).

Despite conflicting views on the project that have been heard in Baku, Russia clearly stands to benefit from the plan should it be implemented. The project gives Moscow extra hard-currency earnings; in addition, some oil will be exported via Russian territory in any case. This is perfectly in line with the interests of the Fuel and Energy Ministry, which pursues the policy of keeping control over the production, processing, and transportation of oil on the territory of CIS countries. The latest, fairly noteworthy step in this direction has been to allow Kazakhstan to increase its transit of oil exports via Russian territory. According to information from the Central Controller's Office of the Fuel and Energy Ministry, while in the second quarter Kazakhstani oil exports were less than 200,000-250,000 tonnes a month, now they have reached 500,000 tonnes. At the same time, the Fuel and Energy Ministry says—quite logically so—that this move is also to the advantage of Kazakhstani oil and gas enterprises, whose sole source of income is earnings from oil sales.

Germany's Accusations Over Plutonium Rebuked

MM1608103594 Moscow IZVESTIYA in Russian 16 Aug 94 p 3

[Report by Vladimir Lapskiy: "Germans Are Convinced That Uranium and Plutonium Make Their Way to Them From Russia—Moscow's Departments Humbly Deny This"]

[Text] Chancellor Helmut Kohl has urged Moscow to halt the illegal export of radioactive materials from Russia. This was the chancellor's reaction to the arrest by police in the Bavarian city of Landshut near Munich of a group of nuclear smugglers in possession of a small quantity of uranium-235. The group comprised Czechs and Slovaks, as well as one local woman. The immediate conclusion was that the uranium is of Russian origin.

The incident whereby three officers from Russia's Northern Fleet stole 4.5 kg of uranium from the base to sell and were caught red-handed is still fresh in the mind in Germany. On another occasion, 5 kg of the very same material were taken from the Chelyabinsk Military Plant. These incidents ended favorably, foreign newspapers write, but there is no knowing just to what extent radioactive materials from Russia fall into the hands of terrorists and are purchased by certain "untrustworthy" countries.

As yet, no information about the origins of the contraband uranium confiscated in Germany has been forthcoming through Russian intelligence channels, Yuriy Kabaladze, leader of the Foreign Intelligence Service Press Bureau, told IZVESTIYA. But, to all appearances, this uranium has nothing to do with us, he said. The Western press loves to lay the blame on us, Yuriy Kabaladze added, as was the case recently with the six grams of plutonium discovered in the FRG, allegedly supplied from Russia. Analysis showed that it was not so-called weapons-grade plutonium, and it was most certainly not Russian. In practice, not a single one of the facts reported by Western newspapers about contraband making its way to Germany from Russian nuclear components was substantiated.

The Western press is painting a distorted picture of the state of affairs in Russia with regard to the storage of nuclear materials—you would think that in our country such things were left lying around all over the place, Sergey Vasilyev, deputy leader of the Federal Counterintelligence Service Press Center, said. It is essential to await the results of the analysis and not to be hasty with indiscriminate accusations against us. The illegal carriage of radioactive materials across the border is becoming an ever less practicable business, it is believed at the Russian Border Troops Press Center.

"There is a lot of mystery surrounding cases involving 'nuclear contraband,'" Vladislav Petrov, an official at the Ministry of Atomic Energy, says. "Why is it that it is only discovered in Germany and nowhere else, and why is it that, without going out of their way to look into things, the police and other competent bodies in the FRG are accusing Russia of tolerating a steady outflow of radioactive materials? Incidentally, a German television correspondent has just telephoned and reported that the FRG Ministry of Internal Affairs has declared that there would seem to be no proper control over radioactive materials in Russia. Yet you know, FBI Director Louis Freeh visited our country recently and familiarized himself at first hand with the way in which these materials are stored and controlled, and he made a corresponding statement. In our view, indiscriminate reproaches made against Russia are unfounded."

Admiral Details Japanese Border Violations

LD1508160994 Moscow ITAR-TASS in English 1517 GMT 15 Aug 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

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[Text] Moscow August 15 TASS—Violators of the Russian state border will face consequences in accordance with international law, First Deputy Commander of the Russian Coast Guard Forces Rear- Admiral Sergey Skalinov said.

In an exclusive interview with ITAR-TASS on Monday, Skalinov said that today's incident involving Japanese fishing boats near the South Kuril Islands is the latest in a series of violations of the Russian state border.

He pointed out that such violations have become increasingly common in the last two weeks, on the eve of the third stage of the Putina-94 operation. He said Japan helped carry out the second stage of the operation aimed at fighting poaching in the Russian economic zone.

However, later Japan cut the number of coast guard ships involved in the operation near the Kuril Islands, which had immediately led to an increase in the number of violations of the Russian border.

Skalinov stressed that on some days seven to twelve violations involving Japanese poachers were reported.

He said that the poachers have changed their tactics. They act defiantly and disobey Russian Coast Guards's instructions and even warning shots. One such incident occurred late last week, the second just today, he added.

A Russian Coast Guard ship was forced to open fire on a Japanese fishing vessel which was engaged in poaching in Russian territorial waters near the South Kuril Islands.

Coast Guard Ship Number 915 spotted two Japanese schooners without identification marks at about 12:00, Moscow time. Despite a demand to stop, the poachers tried to escape in the direction of Japan, ignoring warning shots.

The guards were forced to open fire to hit. One of the schooners was damaged and detained. Several Japanese fishermen were wounded. They were provided with medical aid. None of the crew members had identification cards. The schooner was tugged to the nearest Russian port. Coast guards continue the pursuit of the second schooner.

The press centre of the maritime region quoted Commander of the Pacific Border District Lieutenant-General Vitaliy Sedykh as saying that there has been an increasingly growing number of Japanese fishermen poaching in Russia's economic zone.

Sedykh has repeatedly called on the Japanese side, particularly the Japanese security bodies and the Japanese consular general in Vladivostok, to organise for joint patrolling of the area, but his requests remained unanswered.

Over the last three days, Japanese fishermen made several attempts to illegally cross the Russian border. Russian Coast Guards tried to make the intruders leave Russian territorial waters by using the international radio communications system, but the fishermen ignored their instructions, forcing the coast guards to fire warning shots in the air.

Sedykh has issued an order allowing Russian border guards to open fire to shoot foreign poachers if they violate Russia's economic zone and disobey coast guards.

Border Commander Backs Attack on Japanese Ships

LD1608134494 Moscow INTERFAX in English 1046 GMT 16 Aug 94

[Text] The command of Russia's Border Guard Troops has found no violations in the actions of Russian border guards, who opened fire on and detained a ship which had violated Russia's state border in the area of South Kuril islands in the Far East, the commander of the Pacific Border District (PBD) Lieutenant-General Vitaliy Sedykh said.

A border guard patrol ship (N 915) of the PBD spotted two schooners bearing no national markings seven miles inside Russia's territorial waters at 20:25 on August 15 local time, (13:25 Moscow time) [0925 GMT]. When the intruders ignored the demand to halt and headed for Japan in defiance of warning shots the border guards shot to kill.

One schooner was damaged and detained.

General Sedykh said the schooner was tugged to Krabozavodskaya harbor (Shikotan island). The crew members were detained on administrative charges. A criminal investigation into the border violation has been launched. General Sedykh said that under the current legislation the case is to be presented to the Prosecutor's Office within seven days.

One of the crew members of the detained schooner was injured—he received multiple fractures in the back, neck and forearm. The injured sailor is currently at the PBD detention center in Krabozavodskaya harbor.

The other intruding schooner was also chased but managed to escape, General Sedykh said. He added that several shells had hit it during the chase.

Sedykh voiced particular concern over the fact that ships of the Japanese Maritime Safety Department had been idle witnesses to repeated border violations in recent time.

Sedykh said that two months ago the Japanese consulate in Vladivostok received PBD proposals for jointly developing measures to maintain order. Deplorably, there has been no reply to that proposal so far, General Sedykh said.

Sedykh added that nor had there been an official response from the Japanese authorities to Monday's

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incident, although Japan makes no secret of the fact that the ship was fired on and detained.

Asked about how the command assessed border guards' performance, General Sedykh said that the Command had scrutinized all actions by the crews of the border guard ships and found no violations.

General Sedykh said the command supports and approves of resolute actions to protect Russia's state border.

Border District Issues Statement on Japanese Poachers

LD1608082994 Moscow ITAR-TASS World Service in Russian 0502 GMT 16 Aug 94

[By ITAR-TASS correspondent Leonid Vinogradov]

[Excerpts] Vladivostok, 16 Aug—The shots that were fired last night during an attempt to detain violators of Russia's state border in the region of the Minor Kuril Ridge [as received] were not the first in the past few days and probably were not the last either. In this connection, the press service of the Pacific border district made a statement for the media today. It says the latest sorties of Japanese poachers in the area of the Minor Kuril Ridge are taking place almost every day. [passage omitted]

The analysis of the developments in the Kuril region shows, the statement continues, that the pirate actions of border violators are becoming increasingly bold and turning into provocations carried out by groups of people. The Japanese fishermen not only boldly flout Russia's sovereignty in front of Japanese Coast Guard vessels and violate the border when trying to poach in our waters, but they also flagrantly abuse maritime law and pose a real threat to Russian and foreign vessels using the free economic zone. These actions can be only described as provocations.

The statement says that Russian border guards will continue to use all means to protect Russia's borders in keeping with the law on the state border of the Russian Federation.

Further on Border Guard Warning

LD1608122294 Moscow ITAR-TASS in English 1159 GMT 16 Aug 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow August 16 TASS—The Russian Federal Border Guard Service has issued a warning that the Russian state border will be duly and reliably protected against any encroachment, Major-General Aleksey Kozhevnikov, deputy chief of the international affairs department of the Federal Border Guard Service told ITAR-TASS. Kozhevnikov was commenting on the situation in the sea off the South Kuril island.

According to the general, this document reflects the alarming situation and offers to resolve it by civilized methods. Crews of Japanese fishing vessels, he noted, "have lately been behaving extremely aggressively and violating the border regulations repeatedly over the last two weeks."

The shots fired at a transgressor border violating vessel in the vicinity of the Zelyony island in the Malaya Kuril chain of islands at 19:03 hours on August 15, were a "forced measure", according to the general. It was made necessary, because the poachers would not pay heed to warnings and created a threat to peaceful navigation of Russian and foreign ships.

Japanese coast guard ships, in his view, pay no attention at all to violations of international maritime law.

The border guard service statement noted that Russian border troops will strive for ensuring normal conditions for navigation but, in strict conformity with Russian federal laws, will carry out the task of guarding the state border and the country's national wealth, Aleksey Kozhevnikov concluded.

Japanese Envoy Summoned Over Territorial Waters

LD1608100994 Moscow ITAR-TASS World Service in Russian 0940 GMT 16 Aug 94

[By ITAR-TASS correspondent Andrey Palariya]

[Text] Moscow, 16 Aug—The Japanese ambassador in Moscow was summoned to the Russian Foreign Ministry today to be notified that violation of Russian Federation territorial waters is impermissible.

Grigoriy Karasin, director of the Russian Federation Ministry of Foreign Affairs press and information department, told ITAR-TASS that proposals for taking joint steps to regulate the territorial waters problem have repeatedly been made to the Japanese side. These proposals include, according to the Foreign Ministry official spokesman, establishing contacts between Russian border troops and the Japanese Maritime Safety Agency and organizing joint fisheries.

The Russian side, as was pointed out in the representation to the Japanese ambassador, hopes for constructive dialogue and mutual understanding in settling the problem of territorial waters.

Japanese Ministry 'Puzzled' Over Poaching Incident

LD1608084194 Moscow ITAR-TASS in English 0725 GMT 16 Aug 94

[By ITAR-TASS correspondent Andrey Varlamov]

[Text] Tokyo August 16 TASS—The Japanese Foreign Ministry is puzzled. The Sea Security Agency (SSA) is at a loss: Russian border guards used weapons twice against

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Japanese poaching schooners. There are casualties, and one vessel is detained. However, Tokyo learnt about this serious incident only from reports by Russian news agencies.

"We have nothing to say for the time being. We sent an official inquiry to the Russian Foreign Ministry on Monday. However, we have received no reply so far," officials at the Russian division of the Japanese Foreign Office told ITAR-TASS on Tuesday.

An almost ridiculous situation has developed at the Sea Security Agency, responsible for border guard functions. ITAR-TASS learnt from a man-on-duty at the SSA headquarters in Nemuro, which is charged with monitoring Japanese fishing activities near the South Kurils, that he inquired the Vladivostok rescue service on Monday.

However, since no information was received from there, the headquarters is now making futile attempts to learn something from local fishermen.

Following this example, ITAR-TASS contacted the management of the fishing cooperative in Nemuro, but people there said that they did not know anything, adding: "We'd like to know some things from the Sea Security Agency, but even the SSA cannot help".

Nevertheless, rumours are wide-spread at the Nemuro port that the five-ton Kizi-Maru crab fishing ship was fired on and detained on Monday. The schooner sailed in the direction of the South Kurils and has not returned.

However, a SSA official reported that the schooner in question had a licence for fishing in that area, while the detained vessel (according to information from the Russian side) had no documents at all.

There is also a version that the detained schooner belongs to one of Hokkaido crime families which were actively engaged in commercial fishing in Russian territorial waters before the dragnet operation was launched by Russian authorities. They now suffer heavy losses and are ready even to defy bullets to skim profits.

Kurils Incident Not To Sour Moscow-Tokyo Ties

LD1608130294 Moscow INTERFAX in English 1046 GMT 16 Aug 94

[text] The latest incident in which Japanese fishing trawlers came under fire in Russian territorial waters off the South Kurils will not affect Moscow's relations with Japan, a senior Russian diplomat told INTERFAX.

The diplomat said that neither Moscow nor Tokyo are keen to see the incident blown out of proportion.

"The ministry is still unclear about the circumstances leading to the incident. Clearly, the use of weapons is an extraordinary case, but everyone must be informed that the Russian border is well protected," the diplomat said.

Hokkaido Assembly, Sakhalin Duma Discuss Cooperation

OW1608085694 Yuzhno-Sakhalinsk Teleradiokompaniya Sakhalin Television Network in Russian 1905 GMT 14 Aug 94

[S. Moskvin report over video; from the "As of This Hour" newscast of the "Morning Cruise" program—recorded]

[Text] Nikolay Dochilov, chairman of the standing commission for social issues of the Oblast Duma, received a delegation of the Hokkaido Assembly today. The delegation is headed by Yasue Wakase.

During the two-hour exchange of views, problems relating to the development of relations between the Sakhalin Oblast Duma and the Hokkaido Assembly were discussed. The Japanese deputies were also interested in questions involving the distribution of investment in the Sakhalin economy and the more active use of funds, allocated by the Japanese Government for the purchase of phamaceuticals and medical equipment, by the Sakhalin side.

In conclusion, our Japanese guests expressed their desire to take part in the development of the Sakhalin shelf.

Foreign Ministry Examines U.S.-DPRK Agreements

LD1308144994 Moscow ITAR-TASS in English 1354 GMT 13 Aug 94

[By ITAR-TASS diplomatic correspondent Andrey Bychkov]

[Text] Moscow August 13 TASS—The Russian Foreign Ministry is thoroughly studying the agreements reached at the third round of U.S.-North Korean talks that ended in Geneva on Saturday.

The U.S. and North Korean high level delegations discussed ways to normalise the situation on the Korean peninsula, following Pyongyang's refusal to comply with the nonproliferation obligations, which has stirred suspicions about possible nuclear programme developments in North Korea.

Russian Foreign Ministry officials who spoke on condition of anonymity said that "a normal working process is underway to assess the substance of the agreement" signed by representatives of Washington and Pyongyang. Therefore the Russian Foreign Ministry's position on the issue "cannot be formulated" at this stage, they said.

An official assessment is likely to be made in the next few days, they added. The officials believe it necessary "to analyse the new situation as thoroughly as possible, including its North Korean, American, nuclear and other aspects."

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DPRK's Period of Transition Viewed

MM1608115594 Moscow IZVESTIYA in Russian 16 Aug 94 p 3

[Article by Leonid Mlechin: "North Korea's New Master Wants To Preserve Pop's Legacy and Look Abroad"]

[Text] The North Korean delegation to the talks with the Americans in Geneva that lasted all last week regarding the future of the nuclear installations on the DPRK's territory behaved almost sensibly. The Koreans said that they are not pulling out of the Nuclear Nonproliferation Treaty and that their nuclear program has been put on ice—in exchange for the promised establishment of diplomatic relations with Washington.

If the United States recognizes North Korea, if they rid it of the fear of "imperialist encirclement," if the Americans start trading with it (and the U.S. Chamber of Commerce is already planning to ready a delegation for the DPRK), Pyongyang will in return reassure a world scared by its nuclear program.

In order to do this the North Koreans must admit international inspectors from the International Atomic Energy Agency and replace a reactor that is producing too much plutonium (the basic ingredient of a nuclear weapon). Moreover it will be supplied with a new one free of charge. South Korean President Kim Yong-sam has already promised to give them a light-water reactor costing $1 billion.

With skilled diplomacy on the U.S. side the new master of North Korea, Kim Chong-il, will agree to more concessions. The outside world scares but at the same time appeals to him. And it is necessary to take advantage of that.

The ambitious Kim Chong-il undoubtedly wants to crown himself with the laurels of an international politician and make trips abroad, particularly to the United States. That is why it is so important to involve Kim Chong-il in talks at any price and force him to open up the country at least somewhat to the outside world. If Pyongyang's leaders agree to come to Seoul, Washington, Tokyo, or Geneva, this will be a revelation and an upheaval for Kim Chong-il himself and his entourage.

Needless to say, there are no grounds for speaking of Kim Chong-il as a reformer. It is hard to imagine that, while sharing power with his father, he secretly dreamed of great transformations. The main thing for him is to preserve pop's legacy, i.e. power. But talks with Western countries and the appearance of Americans, Japanese, and South Koreans in Pyongyang will slowly destroy the "iron curtain" isolating the DPRK. What is more, for Kim Chong-il's (comparatively) young entourage the desire to improve their own (and their families') lives somewhat may provide an incentive for timid reforms.

But there are no noticeable signs of vigorous diplomacy with regard to Pyongyang. Its neighbors and the major Western powers (apart from the United States) are biding their time, either waiting for some signal from Pyongyang or not believing that Kim Chong-il will keep his footing as the country's master for long.

North Korea will not take the initiative itself. Kim Chong-il is of course afraid of open diplomacy, fearing that the "imperialists" will deceive him. He does not want to appear weak in the eyes of his own entourage. The most to which he may agree is to accept a proposal that is put to him.

A great deal of time may be wasted if we wait until it is clear whether it is worth doing business with Kim Chong-il. After all, no one knows for sure what precisely is happening in Pyongyang.

Japan's SHUKAN SHINTE magazine claims that a team of North Korean doctors has come to visit their Japanese counterparts for advice on how to treat Kim Chong-il, who suffers from diabetes and cirrhosis of the liver. This report seems as dubious as the news that Russian specialists were invited to embalm Kim Il-song's body.

The country's new boss does indeed look none too well. He has grown thin and lost his glow. In any other case his father's death would have been considered sufficient explanation.

People in South Korea, which has experienced several military coups, are discussing whether a military putsch lies in store for the North too. But in a socialist society the army and the army elite do not play such an autonomous role as they do in Latin America, Southeast Asia, or South Korea.

Everything that happens within the Korean People's Army is carefully monitored by army counterintelligence, which as in all socialist countries comes under the jurisdiction of the minister of public security rather than the minister of the people's armed forces. Like other social groups, officers will passively observe the changes within the top echelons of power until a certain moment.

Kim Chong-il is making few public appearances, and observers have decided that after the death of his father the reins of government in Pyongyang have moved to a collective leadership—that is ostensibly possible under a socialist system .

You have to take a realistic view of what is going on in North Korea. This is a period of transition. All comparisons are unsatisfactory but for simplicity's sake this period can be designated in the following way: Stalin is already dead, but Khrushchev is not yet in power. Kim Chong-il's entourage delights in power but does not yet know precisely what it wants.

Kim Chong-il's Politburo comrades-in-arms will need time to grow accustomed to life without Kim Il-song and to realize that the son is not as fearsome as the father. But Kim Chong-il and his entourage must be enticed out from behind the iron curtain, regardless of how long he manages to stay in power.

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Jiang Visit To Have 'Epoch-Making Significance'

OW1608093594 Moscow Radio Moscow in Mandarin 1300 GMT 15 Aug 94

[Commentary by station observer Mulatov; from the "Half an Hour With Wang Xiao" program]

[Text] Listeners and friends: Let us now ask station observer Mulatov to comment on Chinese President Jiang Zemin's official visit to Russia in early September.

PRC President Jiang Zemin's upcoming foreign trip will take him to Russia, Ukraine, and France. His visit to Russia will last from 2 to 6 September. The second Russian-Chinese summit meeting will be held in Moscow. The first meeting of this kind was held in December 1992, when Russian Federation President Yeltsin visited China. The two sides have basically agreed upon the plan for Chinese President Jiang Zemin's five-day trip to Russia. To this end, some Chinese representatives have made advance trips to Russia to prepare for the summit meeting between the two countries. It is reported that the Russian and Chinese leaders will sign a set of new agreements aimed at expanding cooperation in economic and other fields. After the meeting, the Chinese president will hold a news conference and deliver a lengthy speech at the Moscow Institute of International Relations. Afterward, he will sightsee in other parts of Russia. This has been a brief introduction to Chinese President Jiang Zemin's activities during his upcoming official visit to Russia.

The upcoming visit has epoch-making significance for further developing the Russian-Chinese partnership based on full cooperation. Also, it will prove that it is instrumental in strengthening the international roles played by China and Russia in the Asia-Pacific region and in the world at large. The two large countries of Russia and China adopt similar or close positions on regional issues and on many global issues, thus making the Russian-Chinese partnership a major factor in stabilizing the development of the international situation in the Asia-Pacific region and in the world at large. Under the current situation, the two neighbors Russia and China especially need to make smooth progress in political dialogue, including high-level talks, which will facilitate the solution of complex and major problems in their economic reform agendas. Both China and Russia now have their own special domestic policies as the two countries are paving the way for their future development. They will be on friendly terms as the possibility of cooperation and coordination increases during the 21st century.

The Chinese president's upcoming visit to Russia will convince people that the two countries are ready to help each other effectively as they head into the 21st century.

Indian Envoy on Arms Deals, Cryogenic Engines

LD1608102394 Moscow ITAR-TASS World Service in Russian 0531 GMT 16 Aug 94

[Text] Moscow, 16 Aug (ITAR-TASS)—India wants to change its status in military dealings with Russia from customer to partner, said Indian Ambassador to Russia Ranendra Sen speaking to ITAR-TASS in an "exclusive" interview. He added that a contract for the supply of Russian cryogenic rocket engines is proceeding to his government's satisfaction, and he denied that Russian arms supplies to India will encourage a regional arms race.

"In its military cooperation with Russia, India is seeking a transition from the 'buyer-seller' formula to partnership in pursuing joint projects, in other words, a radically new form of interaction," the agency quoted Randendra Sen as saying.

As an example the ambassador mentioned a joint venture in India to make spares for MiGs, now being set up under a treaty signed last summer by Russian President Boris Yeltsin and Indian Prime Minister Narasimha Rao. The venture, which is to be registered in August, will be owned in equal measure by both countries, the Russian investors being the Rosvooruzheniye state arms company, the Moscow Aviation Production Association, and a number of other arms manufacturers. There are plans for it to diversify into servicing and maintenance for other makes of fighter, and export products.

"Cooperation along new lines does not at all mean that India will stop buying arms directly from Russia", the agency said. "Noting 'certain difficulties' recently, resulting in interruptions to deliveries, the Indian ambassador stressed that the situation has significantly stabilized since the end of last year following efforts by both sides."

"Informed Indian sources made it clear to ITAR-TASS that Delhi does not intend to 'lock itself into' the Russian arms market to the exclusion of others", the agency said. Approximately four-fifths of the Indian Air Force's aircraft are Soviet and Russian made, thought to amount to about 500 MiGs, including 70 MiG-29s. The armed forces also have British, French, Swedish, and American equipment and the commander in chief of the Indian Air Force is currently looking at fighter aircraft in the United States.

However, tried and tested performance "including in combat against American weaponry during the India-Pakistan conflicts" and keen pricing make Russian hardware attractive to India. Malaysia solicited India's opinion on MiG-29s before buying them recently, the agency said, quoting Indian officials.

On the subject of Russian cryogenic rocket engines, Randendra Sen recalled that the original agreements were reviewed in December 1993. "These new agreements are being implemented to our satisfaction. All work related to production of the engines and everything else is going to plan. There are no problems, nor do we anticipate any," he told ITAR-TASS.

"The ambassador categorically rejected claims that deliveries of Russian weapons to India may fuel an arms

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race or upset the balance of power in the region," the agency reported. "He said India's defense budget, as a proportion of gross GNP and in per capita terms, is less than that of any country in the region and the defense budget is being reduced year-on-year. According to Randendra Sen, India's top priority is the success of its economic reform, for which peace and stability are essential."

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Political Issues

Standoff Foreseen Over Election Delay Proposal

MK1608104594 Moscow KOMMERSANT-DAILY in Russian 16 Aug 94 p 3

[Report by Grigoriy Zaychenko: "Politicians Mull Poll Delay. Poll Delay Discussion Delayed"]

[Text] Yet another discussion of the problem of postponing elections was scheduled by the Association of Political Experts and Consultants for the evening of 12 August, but it had to be delayed for a week: The leader's advisers are vacationing along with the leaders themselves. It cannot be ruled out, however, that once the universal vacation is over, the problem will become urgent once again.

The problem of delaying elections for the Federal Assembly and the—apparently inevitable in this case—extension of Boris Yeltsin's presidential term is lately holding particular interest for politicians. Even compromise options have sprung up: Sergey Karaganov, deputy director of the Europe Institute and member of the Presidential Council, has suggested that deputies' term of office be extended only for one year, not two as Vladimir Shumeyko's plan envisioned, provided they work hard and there are clear guarantees that there will be no more delays.

If one proceeds from the saying "victory has many fathers, while only defeat is an orphan," it turns out that the idea of a delay is gaining the upper hand, so to speak in advance. It has even gotten "actual" parents. Gennadiy Burbulis, who was among the first to embrace the Federation Council speaker's idea, did not forget to mention that it was he who put it forward, while Shumeyko, as always, only gave voice to somebody else's concept. As for opponents of the "long-term extension of powers," there are few of them left. It is opposed only by Sergey Filatov (which is fairly strange given his friendly relations with Shumeyko), Sergey Shakhray, and three parliamentary factions—"Russia's Choice," "12 December," and the Liberal Democratic Party of Russia. Aleksandr Rutskoy, too, is counted among opponents of Shumeyko's idea, apparently in hopes to win the 1995-1996 presidential elections. The president has so far kept silent, except, however, for an ambiguous statement by Vyacheslav Kostikov.

Filatov's stance appears all the more interesting if one takes into account that by vigorously opposing the extension of the deputies' term of office, the presidential administration chief is simultaneously initiating a campaign to elect regional administration chiefs. Most politicians, including State Duma members, are keeping mum. The reason is partly the vacation season, partly the not quite clear understanding of what is best after all—a bird in the hand or two in the bush. Apparently, the deputies have never made up their minds as to whether they should launch massive preparations for the extension of their powers or try to play and win in accordance with constitutional rules.

The Shumeyko idea's prospects are still fairly hard to discern, but the fact is that the spring atmosphere of civil accord is quickly crumbling. The MMM scandal, the behavior of regional leaders, the behind-the-scenes struggle over the second stage of privatization, the possibility of serious complications in Chechnya, and, finally, the across-the-board revision of the legal foundation of the current regime undertaken by the Supreme Court in the process of the Varennikov trial—all this calls into question the measure of stability achieved at the beginning of the year. The logical consequence of the stabilization could have been an agreement between elites on temporarily "freezing" the question of authority, but evidently it would be premature to talk about it now: Things are heading for yet another standoff.

Zhirinovskiy Makes Proposal To Fight Crime

LD1508153994 Moscow INTERFAX in English 1258 GMT 15 Aug 94

[Text] Russia's ultra-nationalist Vladimir Zhirinovskiy has suggested that the authorities pit criminal groups against each other in the hope that they knock each other off, a press release of the Liberal Democratic Party's [LDP] parliamentary group, announced.

"The police must encourage battles between them (gangs - IF) instead of trying to prevent them. Those who live can be sent straight to jail for murder," the release quoted Zhirinovskiy as telling a meeting in the Volga city of Cheboksary.

Zhirinovskiy, who is leading a delegation of the LDP's parliamentary group on a tour of the Volga area, warned that the measures to enforce law and order that his party would take if it took power might arouse objections among part of the intelligentsia. "But it's more important for the party and the state to ensure peace and save the lives of countless people," he said.

Rutskoy To Form 'Civilized Opposition'

LD1608050194 Moscow ITAR-TASS World Service in Russian 2346 GMT 15 Aug 94

[By ITAR-TASS]

[Text] Moscow, 16 Aug (ITAR-TASS)—"There is no opposition in our country, just political farce," Aleksandr Rutskoy told the Ekho Moskvy radio station on Monday. He thinks those who call themselves the opposition are no opposition in reality. "The opposition must have one leader, a program, and a shadow cabinet, and they cannot resolve a single issue together." Rutskoy believes there is no point in trying to unite the present opposition.

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Aleksandr Rutskoy thinks he has no support in the parliament, where only seven or eight people have positions similar to his. Rutskoy believes that the parliament has no real powers or rights and that its sittings are useless.

Rutskoy said he is trying to form "a civilized opposition," and he thinks he is succeeding. In the near future, Rutskoy plans to tour Russia's regions.

New 'Patriotic' Political Group Formed

MK1608090394 Moscow NEZAVISIMAYA GAZETA in Russian 16 Aug 94 p 2

[Report by Ye.D. under the "In Brief" rubric]

[Text] Moscow—A press conference was held here [no date given] devoted to the creation of a new public organization called the "Union of Russians" attended by Vladimir Filin, the leader of the Social Liberal Party, Viktor Kofanov, the chairman of the "Youth for Progress" party, and Yevgeniy Butov, the chairman of the Bourgeois Democratic Party, among others. One can guess from the text of the new political organization's declaration that its founders are going to join the Russian patriotic movement. At any rate, all the slogans proclaimed are in no way different from the statements of Aleksandr Rutskoy who is forming his own "Derzhava" movement, or the "Union of Officers" of Stanislav Terekhov: "Revival and Unity of the Russian nation, and spiritual revival of the peoples populating it [as given]; the restoration of the traditions of raising youth; the revival of the traditions of the Russian Army," and so on.

Events To Commemorate Aug 1991 Coup

LD1608114894 Moscow ITAR-TASS World Service in Russian 1007 GMT 16 Aug 94

[By ITAR-TASS correspondent Igor Belskiy]

[Text] Moscow, 16 August— Journalists were briefed today on the events planned for 19-22 August to celebrate the third anniversary of the August 1991 events. The heads of the "Vivat, Russia-94" festival organizing committee told the press that a scientific practical conference was to be held jointly with the Russian Federation presidential administration on 20 August, "The Lessons of August 1991: The People and Power". On the Saturday evening there will be a requiem rally on Konyushkovskaya Street, near the White House, which will end with a mourning procession to the site where three young men died three years ago. A midnight requiem mass for those who died during the night of 20-21 August 1991 will be held at the crossroads of the Novyy Arbat and the Sadovoye ringroad.

Wreathes will be laid on the graves of Vladimir Usov, Dmitriy Komar, and Ilya Krichevskiy in Moscow's Vaganskoye cemetery on the morning of 21 August. In the evening there are plans for a festive assembly of the Moscow public, dedicated to the Day of Free Russia. And the traditional music festival "Rock on the Barricades" will open on the Vasilyevskiy rise on Red Square on the evening of 22 August.

Economic Issues

Filatov Talks With TU Leaders Seen as Positive

MM1608101394 Moscow TRUD in Russian 16 Aug 94 p 1

[Report by Vladimir Loktev: "It Is Better To Talk Sitting at a Table Than Out on the Street"]

[Text] Sergey Filatov, leader of the Russian Federation Presidential Staff, has met with leaders of Russian sectoral trade unions which signed the Treaty on Social Accord.

Let us recall that this document was approved and signed by 32 of the 41 trade union associations that belong to the Federation of Independent Trade Unions of Russia [FITUR]. At the request of workers in the sector, the machine builders' union central committee recently removed its signature from the treaty. This "alarm bell" inevitably puts you on your guard. After all, trade unions are continuing to bring together tens of millions of workers in state enterprises. Judging by the conversation at the meeting, the supreme powers understand this perfectly well. And, as S. Filatov stated, certain political forces will make all the more effort to exploit the economic difficulties in the country and "stir people up...."

Trade union leaders assessed the situation as extremely complex and tense. Reproaches were addressed to the government for failing to carry out its promise to settle in the second quarter the problem of unpaid debts and arrears in wages to workers in budget-funded sectors. The Ministry of Finance was subjected to the sharpest criticism, because it had ignored the directives of the president and the prime minister, according to the participants in the meeting.

Vice Premier Aleksandr Shokhin, who came to the meeting, promised once again to sort out the situation and adopt urgent measures.

A curious and paradoxical situation has taken shape at some enterprises: The workers are not paid any money, but at the same time these enterprises have currency accounts in banks, sometimes pretty substantial ones. In this connection A. Shokhin announced the government's intention to punish such plants by forcing them to change their currency funds for the purposes of paying wages to workers on time.

However, the vice premier gave no guarantees that the debts to the budget-funded sector workers would be paid off by 1 October, as FITUR is demanding. "You cannot solve this problem by pulling the budget blanket about," he stated. The participants in the meeting assessed this

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idea simply: The state budget is falling apart and the "normalization of the situation is not predicted...."

At the beginning of September FITUR will hold an all-Russia conference of representatives of its affiliated trade union associations, at which a plan will be drawn up for a "fall offensive" to defend workers' socioeconomic rights. In this context the meeting between the trade union leaders and S. Filatov must be viewed as an important positive factor in the development of a "trade unions-executive" dialogue. In particular, agreement was reached to hold such an exchange of opinions regularly, so that urgent problems can be resolved in a timely fashion rather than in haste. A businesslike discussion at the negotiating table will be more fruitful than street rallies and demonstrations....

Tariff Problem Threatens Radio, TV Broadcasts

LD1508194894 Moscow Radio Rossii Network in Russian 1700 GMT 15 Aug 94

[Text] The danger that Russians will be deprived of their favorite TV and radio broadcasts is not over. Deputy Premier Aleksandr Shokhin is to blame for the fact that preferential tariffs for electricity have not yet been introduced for enterprises under the Ministry of Communications, although a decision on this was taken by the government back in May. In turn, communications workers will not be able to broadcast programs of the state TV and radio companies on preferential terms. This will naturally lead to a reduction in the amount of broadcasting. This was set out in a speech by Anatoliy Nazeykin, chairman of the Central Committee of the Communications Union, at a meeting between trade union leaders and Sergey Filatov, head of the president's administration.

Central Bank Grants Government R3.5 Trillion

LD1508154494 Moscow INTERFAX in English 1258 GMT 15 Aug 94

[Text] The Russian government will receive 3.5 trillion rubles [R] from the Central Bank for conversion and investment programs in the third and fourth quarters of this year.

Deputy Economics Minister Vladimir Kosov told a news conference in Moscow on Monday that the loan will be granted on the basis of a presidential decree issued on August 10. He said 600 billion rubles will be granted in the third quarter at an annual interest of 10 percent, and 2.9 trillion rubles will be provided in the fourth quarter at one fourth of the Central Bank interest rate effective when the loan will be granted. At present the Central Bank's interest rate is 150 percent.

The credits will be repaid from funds stipulated in the budget, Kosov said. Funds will be granted to enterprises through authorized banks on the basis of contests.

"Money was granted only for 500 of the 1000 military-industrial complex plants, and so credits will be received primarily by the plants which have already invested one third of their own funds in the project, and which are capable of repaying the credit before the end of this year," Kosov said.

MMM President Charged With Tax Evasion

LD1508163894 Moscow ITAR-TASS in English 1443 GMT 15 Aug 94

[By ITAR-TASS correspondent Larisa Kislinskaya]

[Text] Moscow August 15 TASS—Sergey Mavrodia, the president of the notorious "MMM" investment fund in Russia, has been officially charged by Moscow police with tax evasion in especially large amounts. The charges are not connected directly with the activity of MMM, but with a subsidiary, the "Invest-Consulting" Agency, of which Mavrodi is general director.

In addition to Article 162-2 of the Russian criminal code—tax evasion in especially large amounts—Mavrodi has been hit with obstructing a legal inquiry.

Mavrodi's case is being handled by the investigative office of Moscow's internal affairs department in team with the Moscow municipal prosecutor's office and some special lawyers. The city prosecutor has given its stamp of legal approval to the actions of the investigative office.

Anti-Fraud Package Prepared Following MMM Crisis

LD1508163594 Moscow ITAR-TASS in English 1444 GMT 15 Aug 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow August 15 TASS—The Russian Cabinet of Ministers will soon pass an extensive set of decrees regulating the securities market, Deputy Finance Minister Sergey Aleksashenko disclosed on Monday. The decrees are meant to prevent the sort of wrong-doing the MMM joint-stock company has been implicated in.

The deputy minister said the package includes a ban on joint-stock companies setting their own share prices and restrictions on share emission in proportion to market capitalization. Companies will have to keep lists of shareholders and submit regular accounts to overseeing authorities, among other things.

Aleksashenko sees elements of fraud in the activities of the MMM investment fund. The company's market capitalization of 991 million rubles allowed it to have at most 991,000 shareholders, a far cry from the ten million claimed by company President Sergey Mavrodi.

In addition, Mavrodi alleged that he sold share certificates, not the shares, and for this reason no list of shareholders was made.

The deputy finance minister defined MMM's arbitrary share quotation as absolutely illegal. He is confident that the MMM leadership was waiting for some external

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pretext to justify the company's impending crash. Despite the fact that the government has not undertaken or planned any legal action against the MMM company, Mavrodi announced a huge cut in share price and accused the government of causing it, Aleksashenko said.

Decrees Drafted To Resolve Corporate Debts

LD1508164194 Moscow ITAR-TASS in English 1333 GMT 15 Aug 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow August 15 TASS—A package of Russian presidential decrees is being drafted to resolve the issue of defaulted corporate debts, a news conference at the Russian Government house was told on Monday by Deputy Finance Minister Sergey Aleksashenko. "It has been decided by now," the deputy minister said, "that the government will not pay any of the debts of the enterprises through whose fault they were accumulated".

A government commission was set up on August 5 of this year under First Deputy Prime Minister Oleg Soskovets to handle the draft decrees. Projected moves include changes in the arbitration system, lower duties on filing corporate debt claims, and changes to the current laws and rules.

In addition, the Russian Government on August 9, 1994 issued a special ordinance on debt offsetting in Russian territories. The measure is designed to alleviate debt repayment, normalise the enterprises' financial status and contain inflation. The ordinance recommends local executive authorities to carry out corporate debt offsetting proceeding from their receivables as of July 1, 1994.

Local authorities were also recommended, as a remedy for the faulty settlement mechanisms, to attract territorial financial resources, including those offered on the financial market, and to use promissory notes as a mode of settlement in regions. The Central Bank of Russia will assist the regions in these operations.

Economy Ministry Discusses Investments in 1994

LD1508205894 Moscow Russian Television Network in Russian 1320 GMT 15 Aug 94

[Text] According to the Russian Economy Ministry, state investments in various branches of industry today amount to one sixth of all the capital investments, the rest being non-centralized investments. During the first six months of 1994, $278 million and 14 billion rubles were invested in the Russian economy in the form of foreign investments. Western experts say that the Russian market could assimilate $40-50 billion every year.

At the same time Russian potential investors, such as commercial banks and joint-stock companies, are taking their money out of Russia. Most of the investments in the Russian economy go to the fuel industry, trade, and public catering, which are regarded as more stable than industry, and to large projects in Moscow and St. Petersburg (mainly housing and real estate), cities believed to have strong administrative authorities.

Budget Allocations for 1994 Announced

LD1508214794 Moscow Radio Rossii Network in Russian 1800 GMT 15 Aug 94

[Text] The share of state investment in the Russian economy was 15-18 percent this year. The remaining money was from non-state channels, Deputy Economics Minister Vladimir Kosov told journalists at a news conference in government house on Monday. He told how the state allocates money in line with the decree by Boris Yeltsin.

[Begin Kosov recording] In the third quarter, 200 billion rubles [R] are to be allocated to conversion and R400 billion to investment. Moreover, practically all of that R400 billion goes to agro-industrial complex programs, since no resources were allocated to these in the first quarter. This credit is allocated at an interest rate of 10 percent. In the fourth quarter it is planned to allocate R900 billion to conversion and R2 trillion to investment, of which R100 billion will go again to the agro-industrial complex, and in all R900 million are left for industry, transport and communciations, for all that sphere. That is all the money which the state has at its disposal today. [end recording]

[Announcer] Deputy Finance Minister Sergey Aleksashenko, who was also present at the news conference, added that granting credit will not affect inflation since the sum mentioned is being allocated within the framework of general credit, taking the budget deficit into account.

Deputy Minister Says Jump in Inflation Unlikely

LD1508161894 Moscow INTERFAX in English 1322 GMT 15 Aug 94

[Text] Sudden jumps in inflation are unlikely in the near future, Deputy Russian Economics Minister Sergey Ignatyev told a news conference in Moscow on Monday. He said that there are no signs of inflation rates taking off at present. Despite the increase in cash money, its circulation had slowed down, Ignatyev pointed out. "It seems more people are putting faith in the ruble," Ignatyev said.

He suggested that inflation in October could grow to as much as 8-10%.

Military & Nuclear Issues

Atomic Ministry: No Reports of Missing Plutonium

LD1608102094 Moscow ITAR-TASS World Service in Russian 0902 GMT 16 Aug 94

[By ITAR-TASS correspondent Anna Bakina]

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[Text] Moscow, 16 August—"Our department hasn't received any reports about radioactive materials going missing from Russia's nuclear installations." The ITAR-TASS correspondent received this reply this morning in the public relations directorate of the Atomic Energy Ministry of the Russian Federation to a question about the situation concerning the discovery of plutonium-239 aboard a Lufthansa plane.

In the opinion of specialists, it would be wrong to say now that the plutonium is "of Russian origin" if only because closed Russian enterprises are under sufficient control. Moreover, without special research it is impossible to ascertain which country the radioactive material belongs to. The marking on the plutonium container, which, incidentally, turned out to be American, isn't indicative of anything. It's quite simple to falsify it.

In the opinion of Russian specialists a competent bilateral commission made up of Russian and German scientists should be set up to establish the truth and it should be instructed to investigate the matter thoroughly.

FCS Offers To Help in Plutonium Investigation

LD1508174394 Moscow INTERFAX in English 1546 GMT 15 Aug 94

[Text] The Russian Counterintelligence Service [FCS] is prepared to share in investigating all reports of alleged drain of nuclear materials from Russia if Germany produces any substantial evidence, Vladimir Tomarovskiy, a spokesman for the Service told Interfax. He was commenting on reports that hundreds of grams of weapon-grade plutonium had been found on Lufthansa passengers who arrived in Munich from Moscow on August 10.

Tomarovskiy said that any information of this kind needs thorough checking and that Russia was prepared to take part in any expert evaluation. He added that no official data on this had been forthcoming from the BND, the German intelligence service.

Tomarovskiy did not rule out the possibility of theft at nuclear facilities. All nuclear countries have systems to supervise the storage and use of radioactive materials, notably of the weapon grade. He explained that his agency had no data of loss of any amount of weapon grade plutonium in that system.

Tomarovskiy recalled that when six grams of plutonium-239 had been found on a German businessman last May, the plutonium had been found to originate from Bulgaria, not Russia.

Tomarovskiy emphasized that the Russian authorities took the possibility of nuclear materials slipping through controls very seriously. This was the reason why the controls were tightened under a recent government ordinance, he said.

Tomarovskiy emphasized that the appropriate agencies were not complacent.

Experts close to Russian special services do not rule out that the noise made in the West about the nuclear drain from Russia might be aimed at undermining Russia's position in the world market and create an impression that Russia is now incapable of supervising its nuclear potential and so to demand imposing outside supervision on it.

The experts also say it is no coincidence that all reports of alleged drains originate in Germany where a black market of nuclear materials is thriving.

Intelligence Service Urges 'Restraint'

LD1608104394 Moscow ITAR-TASS in English 1024 GMT 16 Aug 94

[By ITAR-TASS correspondent Andrey Palaria]

[Text] Moscow August 16 TASS—The Russian Federal Foreign Intelligence Service, which has always been reserved in its responses to events, has now called for more restraint in discussing the alleged export of nuclear components from Russia ahead of the forthcoming visit to Moscow of German State Minister Bernd Schmiedbauer. The minister in charge of coordinating the activity of German special services is due to arrive in Moscow soon to discuss the possibility of fission materials being smuggled out of Russia.

Commenting on press reports about the seizure in Munich of a small amount of "Russian-made" plutonium, a spokesman for the Russian Foreign Intelligence Service Yuriy Kobaladze told ITAR-TASS that the real origin of the weapons-grade plutonium has yet to be proven. All earlier accusations, according to Kobaladze, proved unverifiable, and no one has been able to trace the materials, including weapons-grade plutonium, to a Russian source.

German special services are well aware of the existence of specific channels through which such problems can be solved, but somehow they have not made use of them.

As concerns the origin of the plutonium seized in Germany, experts say that it is not difficult to establish where it originated. Any fissionable material bears specific marking and the producer can be easily identified even without a chemical analysis.

Government Responds to Nuclear Industry's Problems

MM1608104194 Moscow PRAVDA in Russian 16 Aug 94 p 2

[Report by Viktor Artemenko: "Nuclear Workers' Voice Heard"]

[Text] Smolensk—Back at the end of July Smolensk nuclear power station workers began a protest action in

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which around 6,500 people are participating. The nuclear workers are demanding that the authorities pay off the four months' wages and 150 billion rubles owed by the Russian RAO YEES [Unified Energy System Russian Joint-Stock Company]. Without this the nuclear power station will be simply incapable of operation during the fall and winter. The Smolensk power industry workers were supported by nuclear workers at the Kola, Kalinin, Leningrad, Kursk, and other power stations.

The Smolensk workers' voice has finally been heard. A session of the government commission for particularly important problems held in Moscow has discussed the situation in the nuclear power industry. This was followed by a visiting session of the council of Russian nuclear power station directors in Desnogorsk, the capital city of the Smolensk nuclear power station. The participants included Atomic Energy Minister V. Mikhaylov, Smolensk Oblast Administration Head A. Glushenkov, and representatives of the Ministry of Fuel and Energy, the Russian RAO YEES, and the Central Committee of the Nuclear Energy Workers Trade Union. A number of decisions were adopted which will help to eliminate the outstanding debt and stabilize the operation of nuclear power stations and nuclear fuel complex enterprises.

Chemical Defense Troops Hold Exercises in Urals

LD1508221494 Moscow Mayak Radio Network in Russian 1830 GMT 15 Aug 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] Chemical defense troop subunits and special engineering units have held exercises in the Urals Military District. Actions to eliminate the consequences of an accident at nuclear and chemical industry facilities, of which there are quite a number in this region, were practiced during the exercises. Colonel Yevgeniy Lisyuk, chief of the radiation, chemical, and biological defense troops of the Urals Military District, told military journalists that the fighters coped successfully with the tasks they were set.

Regional Affairs

Chechnya Alleges Attack by Russian Special Forces

LD1608143494 Moscow Mayak Radio Network in Russian 1244 GMT 16 Aug 94

[Excerpts] One of the biggest news stories at present is Chechnya. [passage omitted] Today, our correspondent contacted Groznyy on the telephone and was informed by CHECHENPRESS chief (Khamid Khatuyev) about how events are developing.

[Begin (Khatuyev) recording] Reports have been emerging from Avturkhanov's stronghold in the Chechen republic of an armed attack by Russian special forces and Interim Council fighters on civilians in the village of Bratskoye, in Nadterechnyy district. It took place overnight on 15-16 August. One civilian was badly wounded.

The attack happened as a large arms consignment was being transported from Russian territory to Znamenskoye [the Interim Council base].

According to reports from Bratskoye and other villages in the region, the public in Nadterechnyy district is busy carrying out the decision to (?form civil defence units) and the presidential decree on mobilization.

The situation is becoming more tense. Against this background, an appeal has been sent to Russian Federation President Boris Yeltsin by residents of Groznyy on behalf of many thousands of women of Russian descent living in the Chechen republic asking him to stop all actions aimed at liquidating (?the city). [passage omitted]

Because Russia has blockaded all the airlanes between the Chechen republic and countries in the CIS and further afield, the Chechen republic's Interior Ministry issued a statement today. It says that Russia imposed the blockade on the eve of the independence celebrations to prevent foreign delegations from attending the festivities.

The situation in Groznyy today—and, incidentally, throughout the republic—is normal, the markets and [word indistinct] are working, so is transportation.

At one of the largest military units here, the Shalinskiy Tank Regiment, not a single soldier of the official armed forces has defected to the opposition. [passage omitted]

Russia Denies Chechen Claims

LD1608163394 Moscow ITAR-TASS World Service in Russian 1542 GMT 16 Aug 94

[By ITAR-TASS correspondent Andrey Palariya]

[Text] Moscow, 16 Aug—The Russian Federal Counterintelligence Service and Ministry of Internal Affairs have categorically rejected accusations by official Groznyy that they organized an armed attack on civilians in Chechnya's Nadterechnyy Rayon.

The public relations centers of the Ministry of Internal Affairs and Federal Counterintelligence Service described as "totally absurd" a report circulated today by the Chechen department of state security about an alleged "armed attack by Russian special purpose forces and fighters of the 'Interim Council' terrorist sabotage group, against civilians in the village of Bratskoye in Nadterechnyy rayon during the night of 15-16 August," as a result of which, it is asserted, one person was seriously wounded.

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Neither the Ministry of Internal Affairs nor the counter-intelligence service is conducting any terrorist activity in Chechnya, representatives of the Russian special services told ITAR-TASS.

Opposition Spokesman Denies Reports

LD1608154194 Moscow Mayak Radio Network in Russian 1249 GMT 16 Aug 94

[Dispatch from Chechnya by Mayak correspondent]

[Text] I managed to get through by telephone to the village of Znamenskoye where the Interim Council of the opposition, in my opinion, the strongest opposition to Dudayev now, is situated. But the lines were so bad that I'll have to recount myself what they told me since it would be just impossible to replay the recording on the air.

I managed [words indistinct] to speak to Ruslan Martagov, press secretary of the Interim Council. He denied practically everything we have reported from Groznyy. For instance, speaking about a clash at the village of Bratskoye, the press secretary said that it was a routine handover of weapons bought by the opposition. Asked how the purchase of weapons was financed, Ruslan Martagov said that every volunteer who came to Znamenskoye brought with him money—some brought 100,000 rubles, others a million, others two million, yet others 500. They brought as much as they could. These were his words. Weapons and foodstuffs for the army are purchased with that money. I was not told who they were purchased from.

According to the Interim Council press secretary, it is continuing to form troop units and to train them. But the volunteers are confined to barracks as soon as they arrive. We don't intend to hand out weapons to any Tom, Dick or Harry, the press secretary said.

Responding to a request to comment upon the statement by official Groznyy that not a single soldier of the official Chechen troops has gone over to the opposition—and let me remind you that two days ago a report came in that a unit of the Shalinskiy tank regiment, mountain horsemen, and 60 people from suicide volunteer subunits had gone over to the opposition—the press service of the Interim Council said that the Shalinskiy tank division will not take part in combat actions but it is not yet ready to come over to us. The press service refused to comment today on reports from the same source yesterday about units from Groznyy going over to the opposition. Let me remind you that yesterday Ayub Satuyev, minister of the interior of Chechnya, told me in an interview that this report was deliberate misinformation and after it had gone out on the Russian mass media, including on our radio station and on ITAR-TASS, I quote, it was clear to him who TASS was working for.

According to reports both from official Groznyy and from the opposition, the situation in the republic is tense but, on the whole, calm.

Chechen Interim Council Foreign Minister Resigns

LD1608130694 Moscow INTERFAX in English 1046 GMT 16 Aug 94

[Text] The newly appointed foreign minister of Chechnya's shadow government, formed by the opposition Provisional Council, Ruslan Abdurzakov, turned in his resignation before ever taking office.

Abdurzakov told INTERFAX he had learned about his appointment in the Russian press and "was quite amazed, because nobody had talked to me on the subject."

Khasbulatov To Head Chechen Opposition Council

LD1608090294 Moscow ITAR-TASS World Service in Russian 0834 GMT 16 Aug 94

[By ITAR-TASS correspondent Lyudmila Perkina]

[Text] Moscow/Groznyy, 16 Aug—Ruslan Khasbulatov has been appointed head of the state council set up by the opposition forces in Chechnya, Yaragi Mamodayev, chairman of the "government of national confidence" told an ITAR-TASS correspondent on the telephone today. He said that Ruslan Labazanov, commander of one of the armed groups also in opposition to the president of Chechnya, had been appointed defense minister.

This decision was made, Mamodayev asserts, following consultations with sociopolitical movements and the population of the republic, as well as with the Chechnya Council of Elders.

Khasbulatov Denies Report on Appointment

LD1608141794 Moscow Radio Rossii Network in Russian 1300 GMT 16 Akug 94

[Text] Ruslan Khasbulatov and representatives of the interim council opposed to Dudayev, based in Chechnya's Nadterechnyy rayon, in an interview with INTERFAX refuted reports of the appointment of the former speaker of the Russian parliament to the post of chairman of the state council of Chechnya. The appointment was reported earlier in an interview with ITAR-TASS by the chairman of another opposition structure, the Chechen government of popular trust, Yaragi Mamodayev.

Khasbulatov Seeks Allies

MK1608100294 Moscow NEZAVISIMAYA GAZETA in Russian 16 Aug 94 p 3

[Report by Natalya Pachegina under the "Chechen Republic" rubric: "They Do Not Let Khasbulatov Say a Single Word. Groznyy Rocked by Explosions"]

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[Text] All local politicians tried to organize their weekend according to their interests. For instance, President Dudayev was preoccupied with implementing the decision on general mobilization in the republic which had been authorized by the national congress. The registration of citizens subject to military service obligation through military commissariats gave perfect grounds for counting weapons held by the Chechen population. The republic's mobilization resources could be determined by Tuesday, Groznyy officials said. For the time being, the Chechen authorities cite figures ranging from 300,000 to 600,000, while their political opponents from the Nadterechnyy Rayon limit Dudayev's capability to 2,000 men. In Groznyy meanwhile, the bringing up to strength of the first mobilization echelon has been reported; the second stage of the mobilization campaign has been scheduled for 18 August. A total of 50,000 commemorative medals—"For Victory in the Russian-Chechen War"—are being cast at a Groznyy-based plant, with the consent of the republic's leaders. On Monday night two explosions rocked the Chechen capital: one of them, outside the 15th military camp, did not claim any human lives, but residential areas in the vicinity were left without window glass.

The opposition, while avoiding any communications with the authorities, spent the weekend purchasing up-to-date arms, including armored equipment and helicopters. In Nadterechnyy Rayon, the registration of volunteers continued. Despite claims by the Chechen National Security Service, opposition armed formations have been seriously reinforced by enlisting ideologically committed, convinced opponents of the Dudayev regime. Once they receive weapons, the volunteers immediately leave for camps where they undergo special training, the press service of the Provisional Council reported. The National Revival Government (the self-appointed opposition cabinet of ministers) was busy replenishing food and clothing reserves for the volunteer units. At the same time, the rayon leaders are making preparations for the winter.

During that same weekend, Ruslan Khasbulatov, who delayed his departure for Moscow for an indefinite period, was seeking an audience. In two villages he was unequivocally denied one. Apparently fearing the former speaker's hypnotic charisma, the residents blocked approaches to the village. Only in Belgotoy village (Shalinskiy Rayon) did Khasbulatov find a few hundred listeners, maybe because the second speaker was Ruslan Labazanov, who heads the armed group crushed by Dudayev's troops in Groznyy. On Sunday, foreign correspondents filmed the meeting of the two Ruslans—Khasbulatov and Labazanov. Groznyy thinks that the former Russian parliamentarian's contacts with a criminal do not serve to enhance his authority. By some accounts, there are serious differences within the opposition as to its possible cooperation with the former speaker of the Russian Federation Supreme Soviet. Meanwhile, it has transpired that during the Friday meeting the two reached agreement on stepping up [article ends in mid-sentence].

Chechnya Concludes First Stage of Mobilization

LD1508172294 Moscow INTERFAX in English 1525 GMT 15 Aug 94

[Text] The first stage of mobilizing draftees and reserve officers has ended in Chechnya, Aslan Maskhadov, the republic's armed force chief of staff told an extended meeting of the Chechen National Security Council today. He added that the second stage will be over by Thursday.

A general mobilization order was signed by President Dzhokhar Dudayev last week. All men aged 16 to 65 are expected to be mobilized.

The number of new servicemen stationed in the capital Groznyy and its environs has not been disclosed.

Mobilization Termed 'Successful'

LD1608132994 Moscow INTERFAX in English 1243 GMT 16 Aug 94

[Text] "Mobilization in Chechnya proceeds successfully. However, it will end several days earlier than planned—August 16," INTERFAX was told by Chief of Staff of Chechen Armed Forces Aslan Maskhadov. He refused to provide concrete information about the number of those mobilized.

After mobilization has been carried out, Maskhadov said, the last stage of the military tactical exercises involving units from the reserves will be completed. Parallel with the mobilization reserve specialists will be added to the units.

According to Maskhadov, the Chechen military command does not intend to deploy the units along the republic's borders. However, he said, each unit will have its mission in the case of the start of military operations.

"We do not exclude the possibility of Russian troop deployment and expect in this sense nothing good from the trip of the Russian president to Rostov-on-Don," said Maskhadov. "If saber-rattling starts, we are prepared to confront it. If it does not start we will train," said Maskhadov and added that despite what the opposition is saying, mobilization is being carried out in seven out of 13 settlements of the Nadterechnyy District.

"I come from the Nadterechnyy District," continued the general, "and I can say that the so-called opposition consists of 40 whining people. All the rest are idlers and outcasts who will scatter in the face of danger."

Chechen Authorities Deny Tank Battalion Desertion

LD1508161594 Moscow ITAR-TASS World Service in Russian 1443 GMT 15 Aug 94

[By ITAR-TASS correspondent]

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[Text] Moscow, 15 August—The authorities in Groznyy today continued to implement their plans for mobilization, which is being carried out in accordance with the recent decree issued by President Dzhokhar Dudayev. Quoting Colonel Aslan Maskhadov, chief of the General Staff of the Main Staff of the Chechen armed forces, CHECHENPRESS reported today that deployment of first echelon reserves was completed this afternoon.

CHECHENPRESS also denied media reports that one of the battalions of the Shali tank regiment had gone over to the opposition's interim council. The agency cited a statement issued by Saypi Borshchigov, the unit's chief of staff.

Support for Yeltsin in Chechen Mediation Viewed

LD1608093694 Moscow ITAR-TASS in English 0924 GMT 16 Aug 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow August 16 TASS—The call on Russian President Boris Yeltsin to promote with his authority national reconciliation in Chechnya, which was made on Monday by Yaragi Mamodayev, chairman of "the people's confidence government", which is in opposition to Chechen President Dzhokhar Dudayev, was supported by the following political associations: Gulam (Assembly), Nisso (Justice) Party and Union of Chechen Women.

ITAR-TASS learnt about this news on Tuesday from an interview with Mustafa Edilbiyev, head of the Gulam association, who was sentenced to capital punishment in absentia.

Edilbiyev said that elders also approved this call at their rally in the Shalinskiy District. According to Edilbiyev, Chechnya is on the threshold of a second Afghanistan. The situation in the republic is very tense. Blood feud is again spreading.

Edilbiyev noted that a meeting between Yeltsin and people enjoying prestige in the North Caucasus, on the one hand, and the leaders of the conflicting sides, on the other, can stop a bloodshed threatening Chechnya.

The Russian president can become "a catalyst of national reconciliation", he added.

Official Blames Moscow for Situation in Chechnya

LD1508192094 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 15 Aug 94

[Text] The Russian leadership is largely to blame for creating the present situation in the Chechen Republic, a former leader of the Chechen parliament Yusup Soslanbekov believes.

[Begin Soslanbekov recording] The processes that are going on in Chechnya at present are indeed processes forced from Moscow, but the instability and threat of civil war on the territory of Chechnya that are presented on television screens do not exist in Groznyy. [end recording]

Yusup Soslanbekov does not believe that Moscow should clearly put its weight behind a leader of one of the sides now in confrontation.

[Begin Soslanbekov recording] Authorities come and authorities go. It is to Moscow's advantage to have a friendly Chechen people. Rather than labelling them criminals, mafiosi, and gangsters, it should seek in the Chechen people those signs that would be to the advantage of Russia both economically and politically and that would strengthen our unity and friendship. [end recording]

The opposition interim council is reinforcing its armed posts, placing armored vehicles on the border between Nadterechnyy Rayon and the territories controlled by official Groznyy. The opposition confirmed today that it is purchasing arms from CIS republics, including armored vehicles and combat helicopters.

Nizhniy Novgorod Governor Denies Presidential Bid

MK1608092094 Moscow NEZAVISIMAYA GAZETA in Russian 16 Aug 94 p 1

[Ivan Zasurskiy report in the "Power" column: "Boris Yeltsin Predicts a Presidential Future for Boris Nemtsov. Nemtsov Wants to Remain Governor for a Second Term and Is Afraid that the President's Compliment Could Become a Smear"]

[Excerpts] [passage omitted] Russian President Boris Yeltsin seems to have baffled everybody once again with his statement during the presidential yacht Rossiya's call at Nizhniy Novgorod. Namely: He stated that local Governor Boris Nemtsov could become not a bad president of Russia. Now very much depends not only on what the president had in mind (this is impossible to establish anyway) but also on how this statement has been interpreted by other influential candidates. [passage omitted]

Seeking to avert serious problems for himself, Boris Nemtsov hastily made a few statements for the local press and gave an interview to NEZAVISIMAYA GAZETA. He flatly denied the possibility of running in presidential elections, saying that he is going to contest the governorship for a second term. Furthermore, he expressed extreme concern that his relations with Moscow could be marred, and that "all avenues will be closed off to him." "I told Yeltsin that he only created huge problems for me. To which he replied that such was my difficult job," Boris Nemtsov said in his interview with NEZAVISIMAYA GAZETA.

Alas, the sociological game around the issue of postponing 1996 presidential elections, initiated by Vladimir

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Shumeyko, along with Boris Yeltsin's statement that he might not seek another term, could, in politicians' eyes, turn the compliment for Nemtsov into compromising material against the young governor, converting him from a Kremlin favorite and "our guy" in the government into an object of Moscow intrigue. And this will, no doubt, aggravate his headache. [passage omitted]

Protege Nemtsov (even with the prefix "pseudo-") could be discredited "in his main job:" in Nizhegorodskaya Oblast. Here, there is not even a need to set a precedent: During a discussion of agrarian reform in the Federation Council, for instance (Chernomyrdin signed a decree on nationwide application of the Nizhniy Novgorod model a week ago), a memo was disseminated about the "actual state" of agriculture in the oblast. And industrial decline there is higher than average in Russia....

Disclosure of N. Novgorod Military Secrets Viewed

MM1608111794 Moscow IZVESTIYA in Russian 16 Aug 94 p 4

[Feature comprising reports by Anatoliy Yershov in Nizhniy Novgorod and Igor Andreyev in Moscow: "'Caspian Monster' Has Appealed to Spies for a Long Time. But Only Now Has Counterintelligence Begun Flushing Them Out"]

[Text] Nizhniy Novgorod—The oblast directorate of the Federal Counterintelligence Service [FCS] has instituted criminal proceedings in a case involving the disclosure of state secrets in Nizhniy Novgorod, which has, as you know, plenty of defense enterprises. Counterintelligence personnel conducted a 10-day inquiry. The Russian Federation General Prosecutor's Office has undertaken the investigation into the case in question, the FCS directorate reported.

That is everything that I learned during the Russian president's visit to Nizhniy. Citing their excessive workload, the authorities refused to give your correspondent any details about the criminal case. It is only known that it involves the disclosure of secrets linked with the production of military wing-in-ground-effect vehicles. The design bureau founded by the famous Rostislav Alekseyev, who developed the first hydrofoils, is studying this exotic technology.

I do not know how things currently stand with military wing-in-ground-effect technology, but I am sure that the "Spasatel" [Rescuer] wing-in-ground-effect vehicle under construction at Nizhniy Novgorod's "Volga" plant is an entirely peaceful vehicle. The huge craft with a 73-meter fuselage was indeed intended for combat service, and there were plans to fit it with missile launchers. During the construction process the armaments were "removed" and the giant was converted for sea-rescue operations. Since the customer—the military—was constantly short of cash, the vehicle was mothballed for some time and there was even talk as to whether the largely finished design should not be cut up for scrap.

I have seen the "Spasatel"—the silvery body has been fully assembled and interior installation work is being completed. Nevertheless the future of the pioneer in civilian wing-in-ground-effect vehicle construction is still not entirely clear. The reason being the chronic lack of funds received from the customer.

Holdups with the already meager funding have taken their toll not only on the aircraft under construction but also on the plant itself, the central design bureau. Qualified cadres are leaving. Several minor organizations have emerged developing small wing-in-ground-effect vehicles. And it turns out that there is another adverse aspect to the dissipation of scientific and production forces. Within a single powerful structure like the central design bureau it was possible to maintain the proper degree of secrecy needed for the subject matter. And there was something to hide from outside eyes: In the sphere of wing-in-ground-effect vehicles Russia was way ahead of all developed countries, including the United States.

It was the Americans who succeeded in the past in pinpointing a Soviet wing-in-ground-effect vehicle over the Caspian, which they dubbed the "Caspian monster." Counterintelligence personnel prevented an attempt to export diskettes containing information about the Nizhniy Novgorod developments. Viktor Sokolov, chief designer of the "Orlenok" [Eaglet] and "Volga-2" vehicles said that entrepreneurs from the United States had tried to set up an engineering firm with the central design bureau for the joint development of new-generation wing-in-ground-effect vehicles. It emerged fairly soon that they were not so much interested in working together as in information about the Russian studies.... [Yershov ends]

IZVESTIYA correspondent Igor Andreyev tried to find out about the latest criminal case devoted to state secrets in Moscow.

The FCS Public Relations Center confirmed A. Yershov's report but did not provide any further details. They merely pointed out that it had proved a difficult task to remand the case for investigation. As you might surmise, the saga of the abortive charges against chemist Vila Mirzayanov gave the law-enforcement bodies something of a headache.

The General Prosecutor's Office Public Relations Center officially confirmed that it has initiated proceedings in respect of a criminal case involving the disclosure of state secrets in Nizhniy Novgorod. And since this has only just happened the General Prosecutor's Office has no opinion on it. We were advised to ask the FCS for details.

Strangely enough, an editorial office telephone call to... Nizhniy Novgorod did shed some light. Viktor Sokolov,

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chief designer at the "Hydrofoil Central Design Bureau" Science-and-Production Association, said that small breakaway enterprises from the Central Design Bureau are suspected of divulging state secrets. According to him, former design bureau staff are trying to sell what they took with them because they lack a manufacturing base. They are concluding contracts with Russian and foreign partners, holding conferences on wing-in-ground-effect vehicles, and publishing brochures. In V. Sokolov's opinion, these documents which are being prepared for publication and the typed manuscripts contain state secrets. As for the countless visits by foreigners to the production unit, including trips by U.S. delegations, IZVESTIYA was told by the general designer that the visitors have been given only information coordinated with the Defense Ministry.

...It is not for us to judge whether state secrets have really been divulged in Nizhniy. How could we, when the Law on State Secrets has not yet been supplemented with a detailed list of such secrets. And since there is no list, deciding what is and is not a secret is down to those who are best informed in a particular sphere of science, technology, and production. Consequently it is up to the leading enterprise from which the small structures have broken away for various reasons, independent of their maker. It is also natural for the state enterprise to look on its former staffers' energetic activity without particular approval. It is understandable in human terms, when enterprising novices are reaping the fruit of projects that they were not alone in developing. I hypothesize—that is all it is, hypothesis—that there may be a temptation to end an injustice by discovering that the breakaways' activity involves trading in state secrets....

Yeltsin's Volga Trip Reviewed

MM1608090194 Moscow IZVESTIYA in Russian 16 Aug 94 p 2

[Report by Anatoliy Stepovoy, Eduard Kondratov, Anatoliy Yershov, and Boris Bronshteyn: "President Continues His Travels Down Mother Volga. Zhirinovskiy and the U.S. Ambassador Follow in His Footsteps"]

[Text]

Nizhniy Novgorod

The Russian president's program in Nizhniy Novgorod went as scheduled. He visited the Nizhniy Novgorod Fair, where he was shown samples of goods manufactured in the city. Boris Yeltsin bought two 50,000-ruble [R] oblast loan bonds here and promised to find R50 billion in the state coffers for the construction of a new pavilion at the fair. Boris Yeltsin did not even spend five hours in Nizhniy Novgorod before continuing his travels, while Liberal Democratic Party of Russia [LDPR] leader Vladimir Zhirinovskiy arrived in Nizhniy to begin what is by all indications his presidential election campaign.

U.S. Ambassador Thomas Pickering also arrived in Nizhniy Novgorod.

It was intended that the Aleksandr Pushkin river liner carrying Vladimir Zhirinovskiy and other State Duma deputies from the LDPR would dock in Nizhniy Novgorod two and a half hours after the president's arrival. But the local authorities tried their utmost to spread out these visits. The Aleksandr Pushkin liner was held up on the approach to the city "on technical grounds" and V. Zhirinovskiy and Co. turned up here only once the Russian Federation president had already set off down the Volga. The Zhirinovskiyites held a rally lasting two hours on the bank of the Volga, promising the people as usual all manner of prosperity if they win the future elections. Evidently people in Russia have gotten a liking for theatrical performances: Virtually all the speakers were applauded. Since Boris Nikolayevich had postponed at the last minute his walkabout in Nizhniy Novgorod, the visiting orators regarded this as reluctance to meet with the people. V. Zhirinovskiy addressed the rally twice and made maximum use of the situation to campaign for his party, whose cells he is trying so hard to set up in the provinces.

Nizhniy Novgorod Governor B. Nemtsov really came under fire from Zhirinovskiy's supporters for implementing the "wrong" economic reforms. The rally was also addressed by A. Kashpirovskiy, who as usual "issued prescriptions" which subdued the audience once and for all.

Meanwhile, at the opposite end of Minin Square, equally heated emotions were seething at a rally convened by the "Working Nizhniy Novgorod" movement, which also denounced the authorities to its heart's content. The ordinary resident may have lost his head at these political skirmishes, especially since he already has enough problems in his life. But most of the city's 1.5 million population was working calmly on garden and truck garden plots this weekend.

Tolyatti

The main object of attention for the Russian president on his arrival in Tolyatti was the AvtoVAZ scientific and technical center.

That is natural: People here immediately introduced the head of state to the problems involved in developing a totally new, unprecedented automobile. Admittedly, eight years ago Mikhail Gorbachev personally acted as the ideologist for the hypothetical achievements of automobile plant workers, uttering the "golden word" that made them quake—he urged AvtoVAZ not to play tag with foreign countries but capture markets and start being the arbiters of automobile fashion. This splendid idea, albeit known to be impracticable, extracted many millions from the budget at the time for the development of the scientific and technical center, but VAZ has not yet won its laurels as the automobile industry's Cardin.

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The pernickety West turns up its nose at the environmentally dirty Zhiguli's motor. Replacing the carburetor with a U.S. electronic injection system makes the compact $1,000 more costly. What is to be done? There is one option, namely to make the electronic system ourselves, which does of course require considerable funding. Moreover, the installation of onboard computers will entail the problem of producing unleaded gasoline, creating a network of corresponding gasoline stations, and the participation of plants undergoing conversion in manufacturing spare parts.

Can you now see what brought Boris Nikolayevich to the scientific and technical center? He was shown the comfortable "VAZ-10" that Gorbachev was promised, acquainted with the development work on the future "people's automobile," for which AVVA [expansion unknown] is collecting funds, and a Lada with a VAZ electronic injection system which is undergoing tests. So the leaders of the oblast, the city, and AvtoVAZ had something to say to their eminent visitor after his visit to the scientific and technical center.

Needless to say, the ordinary people of Tolyatti also had things to discuss during sincere conversations with the president. They very much wanted Yeltsin's visit to cure chronic ailments such as lack of cultural facilities and wild rampant crime. But since Yeltsin was careful with his promises and no longer tackles regional problems on the fly, residents had no option but to discuss burning painful issues with Zhirinovskiy, the favorite in the December elections, who slipped like a shadow down the smooth surface of the Volga behind the president.

Kazan

Politically quiet Kazan got worked up on the warm Sunday evening by Zhirinovskiy's arrival. Once again there were crowds of people under all kinds of banners, once again there were posters and slogans, a considerable proportion of which (like "Hands off the Lenin Mausoleum") had nothing to do with the event in hand. Once again sizable militia forces put up barriers in an extremely arbitrary fashion in the townspeople's path as the latter moved toward the river port to get a glimpse of the man who once promised to make the Republic of Tatarstan Kazan Guberniya.

On the Volga embankment activists from the Tatar national movement proved the most dynamic welcome party. Their cries of "Fascist, get out of Tatarstan" were muffled by the greetings from aboard the motor ship which one of Zhirinovskiy's comrades in arms addressed to the people of Kazan in the Tatar language. Not at all embarrassed by this reception deputies from the LDPR faction led by their leader got into a bus and headed off to the park of culture, where people had already assembled for a prearranged rally.

The gathering learned plenty of fascinating things from Vladimir Volfovich's speech about his relationship with the regions. They heard that [Tatar] President Shaymiyev is Zhirinovskiy's friend (they have drunk tea together) and [Chechen] President Dudayev invited Zhirinovskiy to visit and sent an aircraft for him. While Chuvashia's President Fedorov, who is still a young man, is, in Vladimir Volfovich's opinion, doing God knows what and he would not vouch for this leader's future.

But—and this is the main thing—the people of Kazan now know for sure that in 1995 life will improve since early Russian presidential elections are inevitable and will be won not by just anyone but by the chairman of the people's favorite party—the LDPR.

As usual when addressing people, Zhirinovskiy told them just what they wanted to hear.

Toward the end of the rally a member of his entourage announced that enrolment to the LDPR was taking place and asked those interested to come up to the inflatable sideshow (we would remind you that the rally was held near the park of culture). This was an obvious slip of the tongue: The sentence sounded very ambiguous.

Border Checks Between N., S. Ossetia Prove Useful

MM1508114594 Moscow KRASNAYA ZVEZDA in Russian 13 Aug 94 p 1

[Report by Vitaliy Strugovets: "Relaxation of Border and Customs Checks on Transcaucasus Highway Could Complicate Situation in North Caucasus"]

[Text] KRASNAYA ZVEZDA was told at the Russian Border Forces' Press Bureau that certain circles in North and South Ossetia have been trying of late to pressure their government structures into securing a relaxation of border and customs checks in the North Ossetian sector of the Russian-Georgian border.

Let us remember that a 2 March 1994 Republic of North Ossetia government decree states that the Vladikavkaz Border Detachment is deployed in the vicinity of the northern entrance to the Rokskiy Tunnel, checking on Russian citizens, foreigners, and stateless persons and transport entering (leaving) and on outgoing freight crossing the Russian Federation state border via the Trancaucasus Highway. And the border guards are doing an efficient job. Some 43 consignments of contraband worth more than 450 million rubles have been seized in this sector since March this year, as well as a large quantity of drugs, firearms, and ammunition.

For example, on 23 July border guards at the "North Entrance" post found a medium machinegun when they searched a motor vehicle leaving South Ossetia.

Concerning the complex problem of the way that the border divides the Ossetian people, the Russian Federation Border Forces' Press Bureau noted that the establishment of the border under international law would not

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hamper the maintenance of economic, cultural, scientific, and other links between North and South Ossetia.

Tensions Rise in N. Ossetia, Ingushetia

LD1508143094 Moscow INTERFAX in English 1258 GMT 15 Aug 94

[Text] Head of the Interim Administration in North Ossetia and Ingushetia Vladimir Lozovoy said that tensions are rising in that region because of the situation in Chechnya. "The worst thing is that Dzhokhar Dudayev is trying to provoke the Russian government," he told Interfax. "Tensions are also being fanned by Dudayev's claims to part of Ingushetia's Sunzhen Region," he added.

"We keep the situation under control and avoid tensions so as not to allow Groznyy to provoke a conflict," Lozovoy said.

He believes that the Chechen opposition, represented by the Chechen Provisional Council, is determined to normalize the situation.

Lozovoy called the Cossacks' role in a Chechen settlement a complicated issue and said that he had annulled the order by the leader of the Terek Cossacks to blockade Chechnya, as it could have provoked Groznyy to action. "We don't need any provocations. We need peace," said Lozovoy.

Stavropol Cossacks Protest 'Caucasian' Migrants

MM1608081794 Moscow TRUD in Russian 13 Aug 94 p 2

[Report by Dmitriy Zonov: "Does a Cossack Need Rousing?"]

[Text] Stavropol—The Stavropol Kray Council of Atamans and the Council of Atamans of the Pyatigorsk Host of the Terek Cossack District have made the decision to picket the kray administration building jointly on 15 August. First and foremost the Cossacks intend to demand in resolute fashion of the local authorities specific and effective measures designed to establish very strict control over the migration processes under way in the region and also to demand without delay a clear definition of the status of the inhabitants of Stavropol Kray and the swifter enactment of the kray's Charter.

Moreover, the Cossacks intend to make known to the kray leaders on the same day their desire to take city markets and major public trading sites under their control.

The Cossacks are also demanding that a complete list of privatized enterprises in the Stavropol region, together with a mandatory register of the names and nationalities of the new owners, be publicized via the local mass media.

"We have absolutely accurate information to hand that privatized facilities are disappearing into the hands of people of Caucasian nationality," Viktor Klimakhin, chief of staff of the kray Council of Cossacks said.

If these demands are not met, the Cossack leaders reserve the right not to leave the central square until a compromise solution is found.

Ural District Rehearses Nuclear, Chemical Incidents

MM1608075594 Moscow KRASNAYA ZVEZDA in Russian 13 Aug 94 p 3

[Report by Stanislav Goncharenko: "An Accident Would Not Catch Us Unprepared"]

[Text] Ural Military District—Actions to eliminate the aftermath of an accident at nuclear and chemical industry facilities were rehearsed during an exercise by chemical protection subunits and special engineering units of the Ural Military District. The Ural region is literally crammed with facilities of this kind and there have been pretty serious accidents here in the past. Colonel Yevgeniy Lysyuk, chief of the Ural Military District Radiation, Chemical, and Biological Protection Forces, reported that the troops had accomplished their tasks successfully.

Arms Depots Explode in Far Eastern Military District

MK1608085494 Moscow SEGODNYA in Russian, 16 Aug 94, p 1

[Unattributed report: "Ammunition Depot Explodes"]

[Text] A heavy fire with a subsequent series of explosions occurred at army ammunition depots of the Far Eastern Military District at 1300 Moscow time yesterday. The depots are located near the Babstovo village, 80 km south-east of Birobidzhan. Residents of nearby settlements were evacuated, fire brigades and units of the Emergency Situations Ministry and the Defense Ministry are working at the site of the accident. No reports about victims or casualties have yet been received. By the time this issue was signed to press, the fire was localized, mass explosions had ceased, and only isolated pieces of ammunition continued to explode. An investigation is under way. Details will be reported tomorrow.

No Casualties Reported

LD1508195394 Moscow INTERFAX in English 1800 GMT 15 Aug 94

[Text] There were no casualties or serious damage in the explosion at of munition depots 80 km southeast of Birobidzhan, Jewish Autonomous Region, Colonel Kozhevnikov, the duty officer in the Far Eastern Regional Civil Defense and Emergency Situations Office told Interfax.

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Fire broke out and some of the shells blew up in a depot Monday. The residents of the nearby settlement were evacuated.

Kozhevnikov said that shells were blowing up one by one. The depots, he said, are owned by the Far Eastern Military District. Old mortar and 100-mm gun shells were stored there.

Only the depot was damaged because the shells did not explode all at once, Kozhevnikov explained.

By 18:40 Moscow time the incident was nearly over, he added.

He said that there was enough manpower and equipment to deal with the emergency but no machinery will be used anywhere near the depots until the explosions cease.

Military Coordination Training Held in Far East

OW1508123694 Khabarovsk Radio Khabarovsk Network in Russian 0840 GMT 15 Aug 94

[From the "Kray News"]

[Text] The frontline command staff training exercise, Vostok-94, began 15 August in the Far East. The exercise's basic aim is to practice coordination between troops of the Far East Military District, the Pacific Fleet, the PVO [Air Defense], and the border troops in case of a deterioration in the international situation in the region. Colonel General Viktor Chechevatov, commander of the Far East Military District, has been charged with directing the exercise.

Maritime Kray Governor Claim to Kurils Viewed

MM1508134794 Moscow IZVESTIYA in Russian 13 Aug 94 p 2

[Report by Natalya Ostrovskaya: "Kurils for Maritime Kray. Who Is in Favor?"]

[Text] Vladivostok—The fact which IZVESTIYA reported as a curiosity back in the spring—the territorial claims of Maritime Kray Governor Yevgeniy Nazdratenko with regard to the Kuril Islands—has today, near to the fall, been widely publicized in the press and has been released for discussion in the Moscow offices and kray and oblast administrations of the Far East.

Moreover, a week ago Yevgeniy Nazdratenko received a reply from Russian President Boris Yeltsin to his July appeal on the transfer of the Kurils to Maritime Kray. This fact and the text of the reply, in contrast to the governor's noisy initiatives, are not being publicized. All that is known is that this secret document does not reject Nazdratenko's idea as such and recommends to all sides involved in the solution of the question—the State Duma, Federation Council, government, and Federal Counterintelligence Service—that they examine the original suggestion within two months.

In a talk with your correspondent Yevgeniy Nazdratenko expressed the conviction that if the idea receives initial approval then the question of the administrative-territorial resubordination could be resolved easily and promptly—within six months. Yevgeniy Nazdratenko's idea is that this measure "will help the kray to implement the important state function that is the provision of fish for Russia, will make it possible to respond more promptly to the Kuril inhabitants' needs and concerns, and will provide positive prospects for the question of the 'Northern territories.'" Otherwise, Yevgeniy Nazdratenko writes in his message to the president, "the Russian Federation runs the risk of losing the initiative still further and with it the economic and political advantage in this region."

To the question of how interested the Maritime Kray and Kuril inhabitants are in such administrative-territorial changes the governor replied that their opinion will be considered in full accordance with the country's Constitution, that is a referendum is inevitable among the inhabitants of the islands and of Maritime Kray. If two thirds of the population and two thirds of members of the Federation Council vote in favor, then it will be possible to embark on the implementation of the new idea.

Yet very inconveniently and counter to all Maritime Kray's bold plans there is a component of the federation—Sakhalin Oblast—to which (for the time being!) the Kurils belong. It was only on 10 August that the Sakhalin Oblast administration acquainted itself with Yevgeniy Nazdratenko's appeal to Boris Yeltsin on the transfer of the islands to Maritime Kray, dated 13 July. And that was only thanks to Premier Chernomyrdin, who passed on its Maritime Kray neighbor's appeal to Sakhalin and recommended that it inform the capital of its opinion of the appeal. As Nikolay Dolgikh, deputy head of the Sakhalin administration, said over the telephone, Nazdratenko has not discussed his plan with his neighbors and they learned of it from the newspapers. The response was one of bewilderment.

"We are by no means opposed to economic cooperation with Maritime Kray, including with regard to the Kurils," Nikolay Dolgikh said. "But what have politics to do with it?"

It is the golden season on the Kurils now. The salmon are coming. Both Sakhalin and Maritime Kray fishermen are working in the Kuril fishing expedition. No one can divide the sea.

Tuva President Cited on Relations With Russia

MK1608112394 Moscow SEGODNYA in Russian 16 Aug 94 p 3

[Report by Yelena Tregubova using ITAR-TASS material under the "Celebration" rubric: "Tuva 'Recognizes

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Russian Federation's Patronage in International Relations.' President Oorzhak Promises to Strengthen Federation in Exchange for Subsidies"]

[Text] Tuva has marked the Day of the Republic—on 15 August 1921 "the all-Tuva congress of representatives of the peoples of Tannu-Tuva" proclaimed that "the peoples republic of Tannu-Tuva is a free, self-government of the entire people, not dependent on anyone in its internal affairs." Simultaneously declared was "the recognition of the Russian Federation's patronage in international relations."

Today, Tuva's existence is 90 percent dependent on subsidies from the federal budget. The Tuva constitution specifies the right of the republic's peoples (64 percent of them are Tuvinians) to self-determination up to withdrawing from the Russian Federation. However, as the republic's President Sherig-Ool Oorzhak often underlines, this discrepancy between the constitutions of Tuva and Russia "is not of an antagonistic nature but is rather an imprint of different historical experience, differences of views on distinctive features of life."

In connection with the Tuvinian fete, President Oorzhak once again pointed out that Boris Yeltsin's recent visit to Tuva "is evidence that the Russian leadership is looking for new forms and new content in its regional and nationalities policy." It is to be remembered that when President Yeltsin visited Kyzyl in June he could see for himself that Tuva was in a grave economic crisis and insistently advised its leaders that they "make a breakthrough in developing economic contacts with foreign partners and Russian regions." Besides, Boris Yeltsin promised to set aside "as much money as would be required" for the creation of enterprises that could help Tuva, even if only partially, provide for itself without subsidies from Moscow. In reply, Mr. Oorzhak assured the Russian president that the Tuvinian leadership was "ready to meet the Russian authorities halfway in creating a strong, unified federation."

Moscow Residents Protest Muslim Community Project

MK1608103394 Moscow SEGODNYA in Russian 16 Aug 94 p 2

[Valeriy Musin report in the "Confessions" column: "The Orthodox Do Not Want Moslem Culture. The Congress of Russian Communities Writes a Letter to Yuriy Luzhkov"]

[Text] Residents of the capital's Konkovo municipal district decided to avert the possibility of interethnic strife and intercommunal animosity, turning out for a protest rally on Sunday.

The rally was organized by the Congress of Russian Communities [CRC]. The residents were protesting plans to build a Moslem cultural center off Ulitsa Ostrovityanova which, the participants believed, would be located in the Troparevo recreation zone, swallowing up over 22 hectares of land. The decision to build up the area was made back in 1992 but it was not until now that the "protesters" (250 people according to police estimates), under CRC guidance, suddenly realized that "a Karabakh will develop" in Troparevo. Hotheads were frightened the crowd to the prospect of various horrors: "children will be dismembered and used for cooking shashlyk." In the end the rally demanded that the municipal authorities revoke the "ill-advised" decision of two years ago and make available another site for the Moslem community center.

Abdelakhid Niyazov, director of the Moslem Center who was present at the rally, failed to convince the mob that not 22, but a mere two hectares has been allotted for the center, and that the construction project will in no way affect the Troparevo recreation zone or the adjacent woods.

The text of an open letter to Mayor Yuriy Luzhkov was prepared, and the Orthodox were willingly signing under it, fully convinced that the cultural center "will sharply worsen the ecological situation in our district and in the capital as a whole," and will also bring about "a sharp deterioration of the crime situation: growth of crime and drug abuse, which means an undermining of Christian principles and a threat to our security." True, some of the signatories supposed that by putting down their signatures they were expressing a protest against Italians' buying up 22 hectares of land in Troparevo.

As SEGODNYA's correspondent was advised at the CRC, after the rally, representatives of the Moslem Cultural Center agreed that the construction should be moved to another place. The Center's Information Department, however, refused to confirm that a consensus was reached, telling SEGODNYA's correspondent that the Moslems will build their center where the mayor and the Moscow government indicate—be that Ulitsa Ostrovityanova or elsewhere.

Regional Press Must Conform To Win Subsidies

MM1508143194 Moscow PRAVDA in Russian 13 Aug 94 p 2

[Report by Nikolay Morozov: "There Will Be Subsidies. But Not for Everyone"]

[Text] Kazan—A briefing of editors of newspapers from the Volga and Kama areas, the Urals, and Siberia has been held in Kazan. The participants in this unusual meeting discussed practice in covering interethnic relations and the survival of the press in the face of the transition to the market. Journalists were unanimous in the opinion that, if stability in society is to be maintained, then the appearance of articles inflaming social and ethnic intransigence and forming a perception among citizens of one nationality's dominating another must be prevented.

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This point of view was supported by President Mintimer Shaymiyev of the Republic of Tatarstan in a conversation with Boris Mironov, chairman of the Russian Federation Committee for the Press, who took part in the interregional briefing in Kazan.

For his part, the chairman of the Russian Federation Committee for the Press reassured journalists in respect of the survival of the press. He noted that the committee he heads has prepared a draft law on state support for Russian Federation mass media, but at the same time he stipulated that subsidies would be allocated to the publications which "work for the stabilization of society and the preservation and revival of the people's spiritual potential," that is, arbitrarily.

'Persecution' of Bashkortostan Paper Seen

MM1608112694 Moscow IZVESTIYA in Russian 13 Aug 94 p 2

[Article by Aleksandra Bryantseva, chief editor of EKONOMIKA I MY: "You Can Do As You Please With a Paper That Displeases You"]

[Text] Ufa—It is the fifth year that the independent newspaper EKONOMIKA I MY has been published in the Republic of Bashkortostan. Bold and truthful contributions from its journalists gained it genuine interest and respect from its readers. But dissent was not particularly esteemed in Bashkortostan.

In December 1992 the newspaper, whose circulation was 450,000, was expelled from the republic. On the pretext of reconstruction, the House of the Press ceased to publish the most popular title. The paper had to be printed in the neighboring Chelyabinsk Oblast, and to be delivered to its subscribers by rail transport from as far away as 500 km. This led to enormous additional expenses, which weighed heavily on the shoulders of the editorial collective.

But the misfortunes did not stop at that. Endless attacks began from the Ministry of the Press and the State Inspectorate for the Protection of Press Rights. The only saving grace was that the paper had been registered in Moscow, and it could not be closed on the strength of a couple of injunctions. And the Bashkortostan Republic's State Inspectorate lacked the nerve to expose itself to ridicule from Russian Justice.

So how did the paper fail to please the powers that be? By publishing items which exposed misdemeanors in the upper ranks of power, irrespective of the identities of the persons involved. Thus, the republic learned about the hundreds of thousands of tonnes of Bashkir gasoline sold illegally outside the republic, or the construction of garages for the elite in the grounds of a municipal children's park. During the presidential election in Bashkortostan the paper revealed to its readers that, at the government's behest, state officials and rayon heads of administration were granted multibillion loans at 8 percent interest over 10 years. In view of the current inflation, the paper rated the making of such gifts on the eve of presidential election as bribery of the power structures.

Persecution of the paper intensified. In violation of all legal procedures, the Higher Court of Arbitration "chucks out" the journalists from their own building. Neither the defendant nor the codefendant—the organization which sold the single-story building three years ago—was invited to the trial. Nonetheless, the court had no qualms about charging the legal costs to the disgraced newspaper.

One more little touch to round off the "case." The legality of the deal had already been investigated in April of this year by the prosecutor's office of Oktyabrskiy Rayon in Ufa, and no violations of the law were found. The same view was also held hitherto by the lawyers of the Bashkortostan Republic Committee for the Management of State Property.

And then came another blow against the paper. A.T. Dusalimov, chairman of the republic's Postal Communications Center, unilaterally broke the contract for deliveries of EKONOMIKA I MY to the readers. "We recommended long ago that all relations with the paper be discontinued," he replied when it was pointed out that such action was unlawful. "Complain to the government," he concluded the conversation, smirking.

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International Affairs

Ukraine Prepares for Black Sea Fleet Talks

Kuchma Calls Baltin To Discuss Fleet

LD1508191094 Moscow ITAR-TASS in English 1858 GMT 15 Aug 94

[By UKRINFORM correspondent Mikhail Stetsyuk—TASS]

[Text] Sevastopol August 15 TASS—Ukrainian President Leonid Kuchma had a telephone conversation with Black Sea Fleet Commander Eduard Baltin on Monday to discuss the problems to be raised at the upcoming meeting of the presidents of Ukraine and Russia.

Kuchma and President Yeltsin are expected to discuss the future of the disputed Fleet and its location in the Crimea, sources close to the Fleet said. No details of the conversation were immediately available.

Radetskyy Briefs Perry on Upcoming Talks

LD1508125494 Moscow ITAR-TASS in English 1210 GMT 15 Aug 94

[By ITAR-TASS correspondent Roman Zadunaisky]

[Text] Moscow August 15 TASS—The Ukrainian-Russian expert commission on a division of the Black Sea Fleet will meet again on August 16-17, representatives from the headquarters of the Black Sea Fleet told ITAR-TASS on Monday, referring to a recent telephone conversation between Ukrainian Defence Minister Vitaliy Radetskyy and U.S. Defence Secretary William Perry, where Radetskyy informed Perry of the commission's future work.

Radetskyy told Perry that Ukrainian specialists are now drafting specific proposals on the division of the Black Sea Fleet and promised to inform the secretary of decisions to be taken after the commission ends its work and after a report is sent to the Ukrainian president.

He also thanked his American counterpart for supplied documents on the experience of the U.S. in basing its troops in various parts of the world, including leasing charges and relations with the governments of foreign countries where its bases are deployed.

"It's unequivocal that the Russian Fleet should be present in the Black Sea. It is also unequivocal that the Fleet flying the Ukranian flag should ply the Black Sea. Small doubt that the Fleets should cooperate," said Radetskyy.

He also told Perry of an idea to create a Crimean naval base which would include Kerch, Feodosiya, Balaklava, Sevastopol and Donuslav to base the Ukranian and Russian Black Sea Fleets.

"To my mind, they should pay for the lease," the general said. "In this case, we should also take into account the Crimea's interests to remove tension, since virtually about 80 percent of Fleet infrastructure are on the peninsula. Therefore, Ukraine and Russia should use this infrastructure."

The United States attentively follows the developments in the dispute between Russia and Ukraine over the Black Sea Fleet. Earlier, Perry said during his trips to Russia and Ukraine that if the two sides request the United States to play the role of a mediator on the Black Sea Fleet issue, the U.S would be glad to act in this capacity.

Delegation Head on Russian Friendship Treaty

LD1508170294 Moscow INTERFAX in English 1507 GMT 15 Aug 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[Text] A treaty of friendship and cooperation between Ukraine and Russia will be a key subject on the agenda of the summit meeting at the end of September-the beginning of October. Last weekend official delegations of the two countries worked on a common draft of the document in Kiev.

In an interview with Interfax the head of the Ukrainian delegation Aleksandr Chaliy said the draft is agreed upon 80%.

He said the initial Russian text was considerably changed when Ukrainian proposals were incorporated. He described the attitude of the Russian side to the talks as respectful.

He said there remain several provisions in the treaty requiring deep studies or consultations with experts, in particular a simplified system of transit across Ukrainian territory, the problem of deported ethnic groups and environmental matters.

There are no fundamental or insoluble problems, Chaliy stressed.

Speaking of dual citizenship the official announced that the sides managed to work out a formula compatible with Ukrainian legislation which does not directly permit dual citizenship to Ukrainian residents.

According to informed circles, dual citizenship could be granted to individual residents of Ukraine by a decision of parliament.

Chaliy said that the draft treaty implies the possibility of military-technical cooperation between the two countries.

As for a military alliance, the head of the Ukrainian delegation said his country's legislation does not offer such a possibility. According to the declaration of sovereignty, Ukraine is "a non-bloc" country.

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Chaliy said concrete questions of the deployment and functioning of Russian military bases in Ukraine were also left outside the treaty.

IF Note: The next round of talks is due in Moscow in mid-September.

Discussions Held With Hungarian Defense Chief

LD1508174694 Moscow INTERFAX in English 1615 GMT 15 Aug 94

["INTERFAX-UKRAINE"]

[Text] Vitaliy Radetskyy and Gyorgy Keleti, defence ministers of Ukraine and Hungary, held a working meeting in Mukachevo, Transcarpathian Region, on August 13 .

Ukrainian Defense Ministry press-service told Interfax-Ukraine that the ministers had exchanged data on the status of and outlook for development of their armed forces and their participation in the Partnership for Peace program.

Radetskyy pointed out that the time had come to translate the sincere and friendly relations between Ukraine and Hungary from treaties into practical steps.

Close cooperation in defense production and logistics is an urgent need of today, not tomorrow, Radetskyy emphasized.

An agreement was reached that, following the meeting of the chiefs of general staffs at the end of August, expert commissions will start the evaluation of the needs and potential of mutual assistance in the fields of defense production and military technology.

The Ukrainian ambassador to Hungary Dmitry Tkach and the Hungarian ambassador to Ukraine Istvan Varga attended the meeting which was held in a Ukrainian army base.

Policy Toward Belgrade Analyzed

WS1608091194 Lvov POST-POSTUP in Ukrainian 5-11 Aug 94 pp A1, A4

[Article by Andriy Starostin: "The Shadow of Slobodan Milosevic Cast on Colonel Slyvnyy's Grave"]

[Text] The trip to Kiev by Yugoslav Prime Minister Radoje Kontic was symbolized by the saying: "Everything is good at the right time." Belgrade has realized that Ukraine has now become politically mature enough not to turn a blind eye at the instigators of the bloody Balkan war, despite the killings of Ukrainians in Sarajevo by Bosnian Serbs (the entire state mourned the death of Colonel Slyvnyy and two Ukrainian servicemen). The enormous losses caused by the embargo against Serbia are almost equal to the sum that Ukraine is trying to get out of the European Union. Such are the conclusions to be drawn from the slavophile sentiments of Borys Oliynyk, chairman of the legislative Commission for Foreign Affairs, the nomination of Oleksandr Tkachenka as head of the Ukrainian mission in the Parliamentary Assembly of the States for Black Sea Economic Cooperation [PACES], and the expected dismissal of top people in the Defense and Foreign Affairs Ministries who basically supported the European and American line of hostility toward Belgrade.

The leftist majority of the Ukrainian legislature, like their Serbian and Russian counterparts, can at any opportune moment forget their atheism and launch into pedantic rhetoric about the Slav Orthodox family and Western intrigues. This prospect seems very realistic in view of the criticism expressed in Ukrainian legislative lobbies over the Ukrainian-Lithuanian agreement signed by Radetskyy on cooperation in the Bosnian peacemaking mission, the Ukrainian-Turkish agreements, also signed by Radetskyy, on the use of Ukrainian military hardware for training Turks, the Ukrainian-Iranian memorandum signed by Zlenko on bilateral activities in Bosnia, the Ukrainian-Turkish oil program signed by Kravchuk, and the active stance by Ukraine in PACES, which during Plyushch's time was unfavorable to both Serbia and Russia.

A certain Serbian-Ukrainian warmth can be noticed in the industrial sector as well. The national transport leaders, without withdrawing from the shady "Blasko" deal, have gone into partnership with the Serbs and established the joint production of passenger railcars. We know that the Ukrainian Association of Industrialists and Entrepreneurs, where Kuchma cut his teeth, and which is currently headed by Deputy Prime Minister Vasyl Evtykhov, is a haven for Serbian-Ukrainian lobbyists. We also see that certain Ukrainian enterprises wish to restore fruitful cooperation with the former Yugoslav republics of Croatia, Macedonia, and Slovenia in the aluminum industry, the oil pipeline reconstruction sector, and the wholesale and retail trade. This warmth is also due to the considerable good standing of large Greek companies on the Ukrainian market, the Greek Government being known for its strong pro-Serbian sentiments.

Symbolically, the departure of the Yugoslav guest from Ukraine coincided with the adoption of the decision by the Bosnian contact group in Geneva to toughen controls over the implementation of economic sanctions against the new Yugoslavia. This happened after the Bosnian Serbs finally rejected the plan for the peaceful division of this long-suffering state. In addition, we can see a certain detachment by Moscow—Serbia's old ally—from Serbian actions. After earlier visits to Yugoslavia by Gennadiy Churkin and Pavel Grachev, Andrey Kozyrev came to Switzerland with a final decision: If the UN peace program is not adopted, Russia will join the West's active boycott against trade with Yugoslavia.

The plan for halting military action involves closure of the Bosnian Serbs' exit to the sea and their territorial isolation from Serbia. The sly Serbian attempts aimed at

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forging a transport corridor to the sea have failed: The Macedonians courageously prevented deliveries of diesel fuel from Greece to Serbia. As for the Albanians, they even helped NATO ships detect the Maltese tanker "Lida-2" which, under the command of a Russian captain, was secretly delivering oil to Serbian fighters. "The sly Serbian attempts"—if this is what we could call the ethnic cleansing in Bosnia—failed because of the firm position of the member states of the Islamic Conference [IC] in the United Nations.

It should be noted that the decisive moves by the IC states—the restoration of shipping traffic across Turkish waters (attempts to isolate Russian oil companies in the Black Sea), the opening of a Turkish Consulate in Tatarstan (attempts to realize a federative administration in Russia) and, in particular, the efforts to improve Ukrainian-Turkish relations—became a new layer in the complex architecture of the Balkan conflict.

As for the July trends, mention should be made of the active moves by the Turkish special services in Greek Cyprus—where the Turks discovered an attempt to deliver a large arms consignment to Serbia through an off-shore Moscow joint venture—and the long-awaited support that they gave to the Israeli investigation into arms trading by the Serbian "Yugoskandik" bank.

Serbian President Slobodan Milosevic felt very lonely in early July. Even Russia, Serbia's Slavic sister, became irritated by Serbian inconsistency and its moves and turned away from Serbia. While shaking hands with Kozyrev, the Serbs arrogantly signed an agreement on friendship and cooperation with the Russian Assembly of Cossacks. This made Boris Yeltsin face the threat of some 2,000 Russian commandos returning to their motherland. How they will come back, armed or disarmed, and across what territories—either across the Cisdniester region, the Crimea, or by officially recommended routes—depends on the internal disharmony in Serbian-Russian relations.

In addition, there is a Crimean aspect to the Balkan crisis. This has been a matter of concern for Ukrainian politicians—who have long been scared by the success of the Russian doctrine of the "bloody arch" (Bosnia—Transcarpathian region—Crimea—Abkhazia—Osetia—Ingushetia—Karabakh). Only the Ukrainian regions of this inspired chain lacked the armed civilian units of the Russian Federation before summer 1994. The Crimea, however, joined this arch in late May. Five top officers of the Russian intelligence service became members of the presidential team of this Ukrainian autonomic republic. The security service units then fell under a different chain of command and there is a certain "freedom" for the establishment of nonofficial militarized organizations. When the situation over the Black Sea Fleet or the power conflict between Kiev and Simferopol reaches its climax, Russian commandos can be easily moved from Serbian fronts to Ukraine.

Summing up all the intrigues by the new legislative elite, we can assume with a great degree of certainty that the Central Committee's Kravchuk-style apparel will be removed from the national foreign policy and more perilous, Russian-style dress will be put on. Then the Serbian brothers—who were settled on Ukrainian land 300 years ago by the tsar—will come to Kiev....

National Affairs

Parliamentary Commission Wants New Defense Ministry

LD1608011894 Kiev UNIAN in Ukrainian 1830 GMT 15 Aug 94

[Text] Kiev—The Supreme Council Commission for Defense and State Security has decided to form a ministry of defense industry, separating it from the Ministry of Machine-Building, the Military-Industrial Complex, and Conversion, commission member Yaroslav Ilyasevych told UNIAN on 15 August. According to Ilyasevych, the ministry will be established "despite the intense opposition from some government bodies."

"We must preserve Ukraine's military-industrial complex, which has almost been destroyed today, and it will be capable of feeding the entire country," Ilyasevych said. He added that Ukraine has a complete production cycle for the T-80 tank worth over $2.5 million dollars on the world market, and there is a capability to produce submarines and fighting boats. Yaroslav Ilyasevych said it is irrelevant to him whether a military or civilian figure takes the post of minister of the defense industry, but he will insist that the candidate be approved by the Supreme Council of Ukraine.

Increased Controls Over National Bank Seen

WS1608102994 Lvov POST-POSTUP in Ukrainian 5-11 Aug 94 p B2

[Article by UKRINFORM correspondent Mykhaylo Kolomiyets: "Supreme Council Decree Provides for Increase in Control Over the National Bank of Ukraine"]

[Excerpt] **The Ukrainian Supreme Council [VR] has adopted a decree on the operation of the National Bank of Ukraine [NBU]. The decree stipulates that the NBU issue credits according to the main guidelines of the credit and monetary policy which is confirmed by the VR annually and by special VR decisions.**

The VR will now adopt a yearly financial plan for the NBU. In addition, by 15 September, the NBU should present its plan for the second half of 1994. The legislature has also banned the NBU from issuing credits through commercial banks. No less than 10 percent of all credits issued by the NBU this year will have to be sold at auctions.

The Cabinet of Ministers and the NBU are instructed to submit for consideration to the legislature an outline plan for settling the state's foreign debts and proposals

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for finding inflation-free sources to settle these debts and the budget deficit. The authorized capital of the NBU should amount to 3 trillion karbovanetses [K]. The size of the NBU's authorized capital has not been revealed before.

NBU head Viktor Yushchenko said in his speech at a legislative session that the rates of increase in the bank's capital do not meet the financial and credit requirements of the Ukrainian economy. One in every three banks is not currently making the maximum amount of loans to its customers. Though the total authorized capital of the Ukrainian banks has increased from K1.5 trillion (as of 1 January 1994) to K5 trillion (as of 1 July 1994), its dollar equivalent has virtually not grown ($116 million as of 1 January 1994). On average, each commercial bank accounts for K7 billion in terms of capital issued, and the private capital of commercial banks—in terms of credits issued—stands at 22 percent. Yushchenko predicts that if the current trend continues, the Ukrainian economy will be serviced, not by the national banks, but by stronger banks belonging to Ukraine's neighbors. The first international investment bank—with a minimum authorized capital of $12 billion—is currently being established in Ukraine.

The currency emission by the NBU increased from K2.3 trillion to 25.4 trillion in 1993. [passage omitted]

Adviser Supports Regulation of NBU

LD1608105294 Kiev Radio Ukraine World Service in Ukrainian 0500 GMT 16 Aug 94

[Text] The president's administration has misgivings about recommendations to subordinate the National Bank to the government. Volodymyr Kuznetsov, head of the economic service in the Ukrainian president's administration, has expressed this opinion. He also noted that, on the other hand, the situation that the National Bank has gotten into in connection with the Supreme Council elections evokes concern because the basis of the monetary and credit policy for 1994 that was submitted by the National Bank to the previous parliament was not adopted.

Kuznetsov believes the lack of a law on the National Bank to be a great error in legislation and a powerful destabilizing factor. In his opinion, the National Bank is, now as never before, interested in the adoption of a normative document that would regulate its activity.

Ukraine Not To Import Food Grain in 1994

LD1508164294 Moscow INTERFAX in English 1447 GMT 15 Aug 94

[Text] Ukraine has no intention to import food grain this year. It may possibly purchase protein fodder additives, Interfax-Ukraine was told at the Food and Agriculture Department.

Ministry experts say that the country can be self-sufficient in grain despite a poor outlook for the yield: 35 centners of grain and leguminous plants (without corn) per hectare.

For food Ukraine needs 8 million tons of wheat. By August 10, 12.6 million tons were threshed, 3 million tons were sold to the state reserves to be added to some 1.9 million tons remaining since last year.

In 1993 the gross grain harvest was 45 million tons, 15 million of which were purchased for the state reserves.

According to ministry experts, Ukraine may have some problems with fodder this year, as a part of corn crops perished as a result of the draught.

The fodder shortage has forced a number of collective farms in southern regions to cut down the cattle population.

Experts suggest selling part of the grain in exchange for protein additives for fodder. The final decision on the matter is expected to be made after the corn crop is taken in.

According to the Deputy Minister of Economics Valentin Popov, Ukraine has already imported 40 thousand tons of soy-bean grist for U.S. credits.

Concern Expressed Over Grain Harvest Shortfall

MM1508141394 Moscow TRUD in Russian 13 Aug 94 p 3

[Report by Nikolay Mokrishchev: "Whose Grain Will Ukraine Be Eating?"]

[Text] Harvesting is over in the south and east. And it is already clear that Ukraine's grain harvest this year will be the lowest in twenty years. The question of whether Ukraine will have enough of its own grain to see it through until the next harvest is therefore bound to concern people today.

At first glance, the rate of grain procurement does not arouse misgivings. More than one-third of the contracted grain is already in the silos. That is only one percent worse than last year's figure. But one percent can make a difference—that one percent will not be consumed this winter. Last year farms signed contracts for almost 15 million tonnes; this year the figure is almost 1.5 million tonnes less. In specialists' opinion, it will ultimately be possible to buy no more 10 million tonnes. The harvest failure, caused by drought in the most grain-rich regions—Odessa and Nikolayev Oblasts and the Crimea—has brought about yet another unpleasant feature. Last year around 3.5 million tonnes of wheat grain had been purchased by the start of August; this year, under one million.

What awaits us in the immediate future? We can realistically count on the grain growers of Dnepropetrovsk Oblast. They have concluded contracts for one million tonnes and will most likely meet that figure. Nor have Poltava, Kirovograd, Cherkassy, and Kharkov Oblasts—those age-old grain-producing regions of Ukraine—yet had their say.

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The peasants are most probably displeased with the purchase prices, which do not cover the grain production costs. In the opinion of A. Petrenko, chief of the Donetsk Oblast Agricultural Administration, if it wants to have grain the state should provide the grain growers with incentives in the form of dollars, new equipment, herbicides, and petroleum products. This year Ukraine has not bought a single kilo of plant protection agent. That alone is responsible for a shortfall of one tonne [as published] per hectare. And 13 million hectares are sown to grain in Ukraine.

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Belarus

U.S. Delegation Relays Clinton Invitation

WS1508143694 Minsk BTK Television Network in Belarusian 1800 GMT 12 Aug 94

[Text] This morning, James Collins, U.S. State Department special adviser for relations with the CIS, and U.S. Deputy Secretary of Defense Ashton Carter arrived in Minsk.

Early in the day, the delegation was received by Belarusian President Alyaksandr Lukashenka. During that meeting, following the formal exchange of greetings, Alyaksandr Lukashenka said that the policy of Belarus' new leadership will be open and, as such, will be advantageous for the Republic. The Belarusian side thanked the United States for its understanding and support. This also refers to compensation for highly enriched uranium from ammunition [as heard] being removed from the Republic. The U.S. delegation, for its part, promised support in the IMF, as well as a significant amount of assistance as compensation for expenditures tied to the destruction of conventional arms. Ambassador James Collins presented Alyaksandr Lukashenka with an invitation to meet with U.S. President Bill Clinton. That meeting will take place in the near future.

The U.S. delegation was also received today by Supreme Soviet Chairman Myacheslaw Hryb and Prime Minister Mikhail Chyhir. Officials from the two sides exchanged opinions on topics of mutual interest.

Holds Talks on Economy, Disarmament

MM1608121794 Moscow KRASNAYA ZVEZDA in Russian 16 Aug 94 p 3

[Report by Valeriy Kovalev: "United States Intends To Continue To Render Support to Belorussia"]

[Text] Last Friday James Collins, the U.S. State Department special envoy for the new independent countries, and Ashton Carter, deputy chief of the Pentagon, arrived in Minsk. They met with Belorussian [Belarusian] President Alyaksandr Lukashenka, Parliament Speaker Mechyslaw Hryb, Prime Minister Mikhail Chyhir, and Republic of Belarus Defense Minister Colonel General Anatoliy Kostenko.

The talks focused on two problems: Economic reforms in Belorussia [Belarus] and the reduction of its armed forces. The U.S. side promised the Belorussian leadership support in extracting the republic from the crisis. Agreement was reached on a meeting between the two countries' presidents, which is to take place in the near future.

Within the framework of military cooperation between the United States and the Republic of Belarus a treaty was signed on the allocation of $5 million to Belorussia for the reduction of conventional arms. A group of Belorussian airborne troops will soon cross the ocean to take part in joint exercises at a base with U.S. servicemen. Ashton Carter announced that the Pentaon is interested in Belorussia joining the NATO "Partnership for Peace" initiative. Here he noted that the United States is prepared to examine the question of the reduction of Belorussian expenditure on participation in the NATO program. Thus, the final barrier to Belarussia's inclusion in this program has obviously disappeared.

Lukashenka Views Relationship With Russia

MM1508123194 Moscow ROSSIYSKAYA GAZETA in Russian 13 Aug 94 First Edition pp 1, 6

[Interview with Belarusian President Alyaksandr Lukashenka by ITAR-TASS correspondent Yakov Alekseychik, "specially for ROSSIYSKAYA GAZETA" under the rubric "At First Hand"; date and place not given: "Aleksandr Lukashenka: 'We Have Come To Work, Not To Bask in Office'"]

[Text] [Alekseychik] Alyaksandr Grigoryevich! More than three weeks have passed since you took office. You have been on Belorussian [Belarusian] television to appeal to the Belorussian people. What did you talk about?

[Lukashenka] I talked in detail about what is happening in the economy, why the shelves are empty in the stores, why livestock is being exported and stolen from the country, why the "profession" of peddlers, who pilfer from the country whatever comes their way, has become so popular in Belorussia [Belarus].

I talked about my visit to Moscow and my impression of my talks with Russian President Boris Yeltsin and Russian Premier Viktor Chernomyrdin. I told our citizens that new forces have emerged in our country that even now, after the meetings in the Kremlin and the White House, are trying to cause conflict between the new Belorussian and the Russian leaderships. It would appear that there are endeavors in this direction from certain people in Russia also.

[Alekseychik] You and your team are setting yourselves the task of implementing measures which will lead to the stabilization of the situation within the republic within six months.

[Lukashenka] I do not say that we will achieve stability within six months. I ask people to be patient for six to eight months, and within that time we will begin moving toward stabilization.

We want to work seriously with the Russians on questions of flotation and joint production units and on the implementation of joint programs. One such program is already being developed under my accord with Viktor Chernomyrdin. "Roskontrakt" is interested in securing supplies of synthetic fibers to Russia. We have three production associations which produce such fibers. They are currently standing idle, while Russians are buying fibers for hard currency. This was why the accord on

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additional deliveries of oil to the Novopolotsk oil refinery, the production of the raw material for these fibers, and the full employment of facilities at Mogilev's "Khimvolokno" association was reached.

Thus we want to "launch" enterprises, reduce open and concealed unemployment, and allow people to earn a living under conditions in which both I myself and the government are adopting unpopular measures.

We want to support the countryside. It has been paid extremely scant attention in recent years.

And, of course, we will strengthen executive discipline. Ninety percent of enterprises are state owned, and it is not a good thing when the state neglects them. Any day now an edict will appear on the conclusion of new contracts by enterprise leaders and on the introduction into contracts of clauses enshrining the responsibility of these leaders for the efficiency of the production units with which they are entrusted.

[Alekseychik] Let us return to your first working meeting with President Yeltsin. How do you assess its results in general and in the context of your efforts to stabilize the economy in particular?

[Lukashenka] I rate it highly. We agreed to conclude a treaty on friendship and good-neighborliness. It is strange that this was not done before. We finished the wording of all the articles of the treaty on the unification of monetary systems. But in order to unite we have to move up at least a little nearer to Russia's level. This applies particularly to inflation. Otherwise we will choke when we have to live according to the same rules as exist in Russia.

There are a number of other areas. There is the definition of the terms of Belorussia's settlement of debts for energy sources. Russia cannot keep on supplying us on credit. And, as I have already said, we agreed on the implementation of a number of programs.

[Alekseychik] One more question in the same field. People are nevertheless very interested to know whether Belorussia will have the Russian ruble or not? And if so, when?

[Lukashenka] You know, I believe that people have in many ways been hoodwinked by the claim that the solution of all problems lies in the ruble per se. Even Shokhin, who, as a sober pragmatist, always said that the simple, immediate unification of monetary systems would produce nothing, has been made out to be an enemy of unification. When I became president I proposed looking at the problem through Shokhin's eyes. And we have been convinced that he is right. After all, Russia is not going to unite to its own detriment. But nor Belorussia can do so to its detriment. I repeat, we have moved too far apart economically. They have inflation of 5-6 percent; ours is over 40 percent. Imagine that we were to unite in such a situation. The Central Bank of Russia—the sole emission center—would not print and send us as many banknotes as we required. Our economy would choke. Hence the important thing is not to rush through the processes. The ruble is not an end in itself. Fist we must bring things to the point where unification becomes favorable both to Russia and to Belorussia. As soon as we have done this, we will unite our monetary systems right away—which will simplify relations between the two states. You see, 86 percent of our commodity turnover is geared toward Russia and only 14 percent goes to the rest of the world. Hence unification is extremely important for us.

[Alekseychik] In talks in Moscow on the problems of Belorussia's debts you proposed diversifying the methods of paying them. How did the Russian side react to this?

[Lukashenka] Very positively. As Boris Nikolayevich put it, give us barter goods at least. The most important thing is to resolve the problem. And I am grateful for that. True, there is one factor to which the logic of the arguments leads me. After all, we produce finished products, we have more new enterprises than in Russia, more skilled cadres. How has it happened that we are so much in debt? Obviously something is wrong with the ruble exchange rate. It is entirely possible that we were wrong to rely on clearing transactions. At least, that is what the specialists now tell me. I do not rule out that in one or two areas our partners may have "gotten the better of" us, that we have not always been attentive and assertive in offering our goods. I do not claim that everything should be recalculated from the beginning, but in the future we must calculate everything scrupulously.

I know that the Russian leadership possesses full information and has not tried to exert any pressure on me. It is seriously committed to good relations with Belorussia, and we are even more so.

[Alekseychik] How did the problem of the former USSR's foreign property arise?

[Lukashenka] The Belorussian side raised it during the negotiating process. The point is that in transferring our share of that property to Russia it was stipulated that Belorussian diplomats would have the possibility of using available space. This does not always work in practice. We did not raise the question of revising the treaty, we only touched on the theme and asked that, where possible, our requests be attended to more closely.

[Alekseychik] During President Yeltsin's forthcoming visit to Minsk a treaty on friendship and cooperation will be signed, along with, according to reports, around 20 other documents. What will they bring to relations with your eastern neighbor that is new?

[Lukashenka] The main thing is that these documents will enshrine what we have been talking about for a long time. After all, relations with Russia have up to now developed essentially spontaneously. There has been talk

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about unifying our monetary systems, concluding an alliance.... What kind of alliance, and when? There was a vagueness about whether we were with Russia or not with it. Hence the forthcoming visit will introduce a necessary clarity into our relations.

[Alekseychik] Commenting on your election victory, Britain's FINANCIAL TIMES wrote that, first, the people had elected as head of state someone who could save the country from economic and political collapse and who has not been corrupted by power and its attributes; and second, that the Belorussian people had clearly indicated that they support the policy of integration with Russia. But that the speed of rapprochement would be dictated by Moscow. How far do you agree with this?

[Lukashenka] Let that statement remain on the conscience of whoever wrote it. Moscow is not trying to dictate the speed of rapprochement. There is nothing in our relations that suggests diktat. On the contrary, I was actually somewhat surprised in our talks with what understanding, care, and, I would say, solicitude the Russian leadership relates to Belorussia and its new leadership. It is very committed to friendly relations with us. Russia needs us, but it treats the Belorussian people and the proper aspirations of the Belorussian leadership with great respect.

[Alekseychik] The formation of your cabinet is being completed. On what criteria is its formation based, and do you share the opinion of some politicians that what is being created is effectively a coalition government?

[Lukashenka] Let the political scientists argue about that. For me the most important thing is to observe the following criteria: The professionalism of cadres and their honesty and devotion to the task in hand and to the Belorussian people. As soon as you begin to form a government on these principles, it becomes a coalition government. I want to stress another factor. I would like the government and its apparatus to be adequate, but not excessive. That is why I have decided to reduce the establishment by 30 percent. I understand that not everyone is happy about this, but nevertheless: Whereas there were 500 people in the apparatus of the old Council of Ministers, now there will be 300 at the disposal of the Presidential Staff and the president's Cabinet of Ministers. It has been suggested to oblast, city, and rayon soviets that they reduce their apparatuses in the same proportion.

[Alekseychik] How do you react to the Party of People's Accord proposal for a moratorium on political confrontation until the republic overcomes the crisis?

[Lukashenka] Highly positively. If everyone begins to act in this direction, I am confident that we will quickly extricate the country from the position in which it finds itself. If confrontation becomes established, the task will suffer greatly. As far as I am concerned, attempts to knock me off track will have no impact. I am not basking in the rays of power, although they are actually not even warm at the moment. Policy will be pragmatic, in the interests of people. We have come to work honestly, and that is what we will do.

[Alekseychik] Under the Constitution you are the commander in chief of the Armed Forces. How do you see the solution of defense questions, and what do you feel about the treaty on collective security within the CIS framework?

[Lukashenka] First, I voted in parliament for the collective security treaty on, and it might possibly not have been accepted without my insistence. Second, if anyone thinks that the problem of Belorussia's security has been resolved, to put it mildly I do not agree. Then the question arises: With whom are we to ensure our security? I reply—with Russia. Just like the economy, our Army is connected with Russia in the closest possible way. Many Belorussian enterprises are military-industrial complex enterprises, which are also "tied" to Russia. Moreover, they produce output that meets world standards and work for the armies of Belorussia and Russia. There actually exists a dual bond between our Armed Forces and Russia's: The Belorussian Army cannot be supplied with everything it needs without close economic ties with Russia; moreover, there are purely military aspects. I do not intend to spoil the good relations between our armies.

[Alekseychik] At a meeting with diplomats accredited in Belorussia you stated that it would be possible to talk about a new stage of renewal, if economic interests require it, only after an economic renaissance in the CIS countries. Please explain in more detail your point of view on the CIS' future.

[Lukashenka] Today we must cherish even the weakest form of the unification of states of the former Union. The CIS is the only thing that remains and in some degree still binds us. Therefore, the Commonwealth must be strengthened and expanded. And I will help in every way to enable the degree of integration in the CIS to acquire a more pronounced character. Boris Nikolayevich Yeltsin, who is concerned for the future of the Commonwealth, will find me a good ally.

[Alekseychik] Please tell me your attitude to the idea of a Eurasian Union put forward by President Nazarbayev.

[Lukashenka] In general I regard any attempt at unification attentively. But to have an avalanche of ideas is not desirable. We have the CIS. Let us move toward integration within its framework. If we see that it is not working out, I will work on another idea, including a Eurasian Union. I am ready to cooperate actively with Nursultan Abishevich in the direction of integration. But it seems to me that the Commonwealth has not exhausted itself. Let us try to exploit its potential to the maximum.

[Alekseychik] In this respect I would like to know your opinion concerning another idea which is put forward

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from time to time by certain politicians in Belorussia and other states. This is the idea of a Black Sea-Baltic Union.

[Lukashenka] For me this is simply an idea, which I am not even studying, since its "content" seems to me confused. If it is aimed at driving a wedge between Belorussia and Russia, I view it extremely negatively. I am geared toward close ties and friendship among the three Slavic states. I would like Kazakhstan to join us too. Russia, Belorussia, Ukraine, and Kazakhstan—that is a nucleus around which peoples who lived together for centuries could unite. In difficult times we survived mainly because we were together. The last world war was a graphic illustration of this. If we had not been together then, who knows what things would be like now....

[Alekseychik] And a last question connected with Belorussia's relations with the wider world....

[Lukashenka] These relations will be based on mutual advantage. I do not want to seem insincere, but I came into politics with clean hands. I will allow no contract to be signed to the detriment of our people. However, this should also suit the West, which will have a respectable, honest partner in Belorussia.

[Alekseychik] Thank you for the interview, Alyaksandr Grigoryevich. I wish you success!

Lukashenka Meets Constitutional Court Staff

WS1608091594 Minsk Radio Minsk Network in Belarusian 1600 GMT 15 Aug 94

[Text] Belarusian President Alyaksandr Lukashenka has held a meeting with members of the Constitutional Court. During the conversation, the state leader stressed the significance of the Constitutional Court as a collective body designated to safeguard lawfulness and constitutional acts. This role, Alyaksandr Lukashenka noted, is particularly important today, at a time when in two years, current legislation must be brought in line with the Constitution of the Belarusian Republic. It is expected that in the future, meetings between the president and members of the Constitutional Court will be held regularly.

Most of Defense Ministry Collegium Replaced

LD1608122194 Moscow ITAR-TASS World Service in Russian 1111 GMT 16 Aug 94

[By BELINFORM-TASS]

[Text] Minsk, 16 Aug (ITAR-TASS)—New generals have been appointed to virtually all the deputy defense minister posts in the Republic of Belarus. An announcement carried today in the Defense Ministry newspaper VO SLAVU RODINY says that Lieutenant-General Leonid Maltsev has been appointed chief of the General Staff and first deputy minister of defense. Viktor Sheyman, recently appointed state secretary of the Security Council, has been included in the collegium.

Belarus Defense Minister Colonel-General Anatoliy Kostenko held an expanded working meeting attended by senior armed forces officers and heads of directorates, services, and departments of the military establishment's central staff, during which a decree of the president of the Republic of Belarus on endorsement of regulations governing the Ministry of Defense, a decree releasing certain officials from their posts and placing them at the disposal of the defense minister, and a decree on setting up the Ministry of Defense Collegium and endorsement of its regulations were promulgated.

There was no comment on the reasons for the dismissals in today's official announcement.

Cabinet, National Bank Agree To Revalue Currency

LD1508141094 Moscow ITAR-TASS World Service in Russian 1230 GMT 15 Aug 94

[By BELINFORM correspondent - TASS]

[Text] Minsk, 15 Aug—The Belarussian Cabinet and National Bank have adopted a decision on the revaluation of the Belarussian ruble. This has been done in order to simplify settlements and to bring the value of the Belarussian ruble into conformity with the face value of local payment tokens.

On 20 August 1994 all corporate bodies and individuals are to recalculate positive and negative balances, all types of prices and charges, receipts and revenues, including incomes of the population, by reducing them to a tenth of what they were before.

The decision says that after the revaluation has been carried out, settlements for despatched goods and rendered services, which have not been paid for by 20 August, must also be recalculated in terms of the new prices.

Retail prices and charges for goods and services rendered to the public by enterprises and organizations in trade, transport, communications and municipal services, irrespective of form of ownership, will also be adjusted to comply with the terms of the revaluation.

Supervision of the revaluation has been entrusted to the prices department of the Economy Ministry and to a number of ministries which run trade and services enterprises.

Government Anti-Crisis Program Due 25 Aug

WS1608102894 Minsk Radio Minsk Network in Belarusian 0300 GMT 16 Aug 94

[Text] The Cabinet of Ministers is preparing a program of urgent measures to lift the Republic's economy out of its current crisis. The program is being devised by a composite group, supervised by Belarusian Deputy Prime Minister Linh, which includes representatives of

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the presidential administration and the Cabinet of Ministers, as well as the National Bank Board chairman, the acting finance minister, and chairman of the State Labor and Statistics Committee. In addition, an almost 70-member strong team is responsible for developing specific chapters of this document. According to the schedule, a draft of this program will be ready by 25 August. Afterwards, it will be examined by the Belarusian Government, and, with some amendments, submitted for examination during the upcoming Supreme Soviet session.

Further on Anti-Crisis Program

WS1608115194 Minsk Radio Minsk Network in Belarusian 1000 GMT 16 Aug 94

[Text] As is known, the structure of the program for bringing the Republic out of its economic crisis has been examined and approved by the new Cabinet of Ministers. This is a short-term program specifying the monthly amount of work to be performed until the end of this year. Specific measures and completion deadlines will be determined. The program consists of several packages. The first one is of a general nature and concerns the progress of reforms and employees' higher accountability for the level of executive discipline. As Deputy Prime Minister Syarhey Linh noted, the program's provisions, such as the liberalization of prices, compensatory policies, and stabilizing measures, have already started to work even before their approval by the Supreme Soviet. The second package concerns the stabilization of credit and monetary policies. Its core consists of reducing inflation from the current 24.8 percent to 6 percent required by the IMF. The third package relates to social protection issues, wages, pensions, and unemployment. Syarhey Linh stated that all these economic problems should be handled in the context of specific industries.

New Prices for Food Products Cited

WS1608103194 Minsk BTK Television Network in Belarusian 1800 GMT 11 Aug 94

[Text] The Department of Prices has informed that today an increase of prices was introduced for some foodstuffs whose production was permanently being subsidized by the state budget due to their unprofitability.

Specifically, a bottle of milk and kefir of 2.5-percent fat content, without the cost of the container, will cost 1,600 rubles [R]; a bottle of cream— from R4,400 to R5,000; 1 kg of sour cream—from R18,900 to R21,600; 1 kg of high-quality cottage cheese—R14,000; and a carton of baby milk mixes "Malysh" and "Malyutka"—R12,700.

The prices for bread were also changed. In particular, a loaf of the "Belaruski" bread will cost from R3,800 to R3,900 and a loaf of the "Prydnyaprowski" bread—from R3,500 to R3,600. The price of a French loaf increased, too, notwithstanding the fact that the prices for it had been freed earlier. Thus, for example, a 400-gramme French loaf will cost R3,100.

Severe Drought Afflicts Agriculture, Livestock

MM1508151594 Moscow PRAVDA in Russian 13 Aug 94 p 2

[Report by Natalya Sverkunova of BELINFORM: "News from Belorussia [Belarus]. There Has Not Been Such a Drought for 100 years"]

[Text] A drought of a severity which, according to weather forecasters, occurs once every 100 years, has befallen Belorussia [Belarus]. The present harvest in the republic is proceeding in unbelievably difficult conditions. Machine and combine operators are having a particularly tough time, hurrying to harvest everything which has not yet withered in the sun. The air temperature in the cab of a tractor or combine is heating up to 70 degrees. According to specialists' preliminary assessments, the gross grain harvest in the republic will be around 6 million tonnes this summer, and the republic will have to buy 2 million tonnes of grain from neighboring states.

The arid summer has done irreparable damage to the republic's economy, which was unstable as it was. The Cabinet of Ministers is seriously concerned about the prevailing situation in the countryside, and has concentrated its efforts on creating a state reserve of seasonal stocks of all types of grain, meat, oil, and powdered milk. For the first time the Cabinet of Ministers and the National Bank of Belorussia have taken extraordinary measures—it has been decided to allocate unlimited credits to the republic's farms for conducting procurement work. The initial sum of aid to the countryside has already reached 2 trillion rubles. This will undoubtedly result in the fall of the rate of the Belorussian ruble, but there is no other way out.

There can be no doubt that the losses will be enormous. After all, the heat wave has not just affected the grain crops. Even potatoes, traditional in Belorussia, have not grown properly under the scorching sun. Specialists are predicting that the harvest of the "second staple" will be 30 percent less than normal. The heat has not spared flax either—it is drying up practically everywhere.

The situation in livestock breeding does not generate optimism either. Many farms in southern oblasts of Belorussia have already opened up silos containing feed prepared for the upcoming winter in order to prevent the livestock deaths. The drought has affected the republic's pastures too. That is why livestock breeders practically everywhere have transferred to keeping the livestock indoors. And in certain farms herds are only taken out to pasture at night.

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Post-Chernobyl Problems Viewed

MM1508150994 Moscow ROSSIYSKAYA GAZETA in Russian 13 Aug 94 First Edition p 6

[Report by Prof. Boris Savitskiy, chairman of the Republic of Belarus Supreme Soviet Standing Commission for Questions of Ecology and the Rational Use of Natural Resources: "Problems: Are Nuclear Power Stations Necessary?"—from the "Newspaper Within a Newspaper" section]

[Text] The participants in the first international congress entitled "The World After Chernobyl" in Minsk devoted particular attention to questions pertaining to the provision of humanitarian aid for the residents of areas affected by the Chernobyl disaster. The need was stressed to reorient this aid to the delivery of acutely necessary medical, primarily diagnostic, equipment and scarce medical preparations not manufactured in the CIS.

For possibly the first time in the history of such forums discussion of the main topic at the congress took place with virtually no discussion of the military aspects of the problem. The reports during this cycle were mainly devoted to the development of and alternatives to nuclear power generation.

The overwhelming majority of the participants opposed the development of nuclear power generation at all at the present time and in the Republic of Belarus specifically.

The congress participants emphasized that the solution to Belarus' power and many of its economic problems lies not in developing its own nuclear power industry but in modernizing and converting outdated power-intensive production units and organizing universal energy and resource saving as a top-priority state program. By increasing energy production and artificially reducing the price, we are thus investing in the preservation of obsolete and outdated power-intensive production units and maintaining a disorderly, thoughtless attitude toward electricity as a free resource produced at a miserly cost.

In their appeal to the peoples of the world, the congress participants urged the world community to assist the Republic of Belarus in transforming it into a state with an environmentally clean power industry. All the conditions exist in the republic, including the moral and technical conditions, even if thermal power stations are kept as the main source of heat and power.

Interestingly, during the meeting in Minsk some projects were put forward for the use of nontraditional power sources making it possible to obtain quite large quantities of electricity. Among them was a plan for a fuel-free installation for the production of electricity, heat, and cold using the reduced natural gas energy in the republic's gas pipelines—a plan that has already begun to be put into practice.

Representatives of the "KAYa" [name as transliterated] international humanitarian organization announced the start of work on the construction near Minsk of a children's home for orphaned children from the Chernobyl zone—a home whose power supply will be provided by autonomous sources from the transformation of wind and solar energy.

Regrettably, there were no reports at the congress on fuel-saving measures at existing thermal power stations, which should have been expected from the Ministry of Energy. And, quite strangely, nothing was heard at the congress from representatives of the State Committee for Problems Arising from the Consequences of the Chernobyl AES Catastrophe nor from energy consumers' organizations and departments, who have on their conscience tremendous energy consumption and overconsumption.

Moldova

Tiraspol Reportedly Seeks 14th Army Equipment

AU1508200394 Chisinau BASAPRESS in English 0700 GMT 12 Aug 94

[Text] Tiraspol, BASAPRESS, 11/8/1994—BASA learned from unofficial sources that Dniester authorities deployed guardians at the 14th Army munitions warehouses. The quoted sources stated that a Dniester 150-soldier detachment is heading for munitions warehouses in Colbasna, Rabnita, which are guarded by fifty 14th Army soldiers. Moreover, a Dniester detachment controlling two anti-craft rocket launchers is also deployed in that area. According to military experts, large amounts of munitions, from cartridges to air bombs, are stored at the Colbasna warehouses. For their shipment to Russia, 2,500 wagons would be required. The same sources indicate that the Dniester detachment was deployed there long ago before the agreement on the 14th Army's withdrawal within three years was signed.

Comrat Official Skeptical About Gagauzia Status

AU1508204694 Chisinau BASAPRESS in English 1935 GMT 12 Aug 94

[Text] Comrat, BASAPRESS, 12/8/1994—Mikhail Kendigelyan, chairman of the parliament of the self-proclaimed Gagauz Republic, stated to the Comrat district newspaper that though the draft law on special juridical status was approved, "we do not experience euphoria about this". "The main fight will take place in autumn when the articles of the draft will be examined." Kendigelyan believes that the Moldovan deputies will try to diminish the status though the Gagauz side made many compromises. "It is not clear to us why the Moldovan leadership is afraid of federalization. Such a state structure will only raise its prestige in the world," he said. Referring to Dniester's attitude towards the Gagauz problem, Kendigelyan said that "its position depends on the granted status. If it will be the least and

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will not satisfy people's interests, the Dniester leadership will not start negotiating with the Moldovan legislators. We will bear everything but we will not allow that our status be reduced to a mere county," stated Kendigelyan.

Interior Minister Cites 'Alarming' Increase in Crime

AU1508200294 Chisinau BASAPRESS in English 1935 GMT 12 Aug 94

[Text] Chisinau, BASAPRESS, 12/8/1994—In the first half of 1994, 19,201 crimes were registered in Moldova, which is 3.3 percent as high as in the same period of 1993 [as received], declared to the weekly SAPTAMANA [THE WEEK] Constantin Antoci, Moldovan minister of interior. Moldovan authorities are especially concerned with an alarming increase in the number of serious crimes (32 percent of the total number of crimes). The quoted source also points out that in the same period most deliberate murders, severe injuries and rapes (72-78 percent) were discovered. The rate of discovered crimes stands at 48 percent. In 1993, 135 crimes committed by citizens of foreign countries (robberies, assaults and thefts) were registered in Moldova. Employees of the Ministry of Interior have arrested 14 foreign citizens involved in deliberate murders, illegal keeping of drugs, thefts of private and state property. In general, the police performance in Moldova is influenced by the complexity of socio-economic processes, which "for the time being cannot stimulate the respect for human rights and assurance of public order," added the minister of interior.

Trade Statistics Show CIS Tops List

AU1508195594 Chisinau BASAPRESS in English 0700 GMT 12 Aug 94

[Text] Chisinau, BASAPRESS, 12/8/1994—According to the Moldovan Customs Control Department, 48 percent of all imports and 78 percent of all exports in the first half of 1994 were made with the CIS. Sources from the same department told BASA that during the same period 45 percent of the exported goods were food products, alcoholic beverages and tobacco, 13 percent fruits and vegetables and only 12 percent equipment and machinery. The same sources specify that in the first half of 1994 the import of textiles and clothes amounted to 72 M lei, equipment and electric appliances 94 M lei, and fuel 152 M lei, which represents respectively 13 percent, 16 percent, and 26 percent of all imports to Moldova. Exports outrun imports by about 300 M lei or by 1.5 times; this data do not cover imports of natural gas and electric energy "which are not regarded as imports since they are delivered via pipe lines."

Import Taxes Created To Protect Local Producers

AU1508195494 Chisinau BASAPRESS in English 0700 GMT 12 Aug 94

[Text] Chisinau, ROMPRES, 10/8/1994—The import customs duties in Moldova are designed to protect local producers, told BASA Corneliu Trofaila, expert at the Moldovan Department for Customs Control. According to Trofaila, products similar to those produced in Moldova are taxed at 50-300 percent of their real costs. At the same time, according to a presidential decree, customs duties on imported goods were cut substantially. Goods imported from CIS countries and Romania are exempted from taxes, pointed out the quoted source.

"According to an international convention to which Moldova adhered several months ago, no customs duties are imposed on goods imported from the developing countries such as Algeria, Haiti, Peru, Laos, Cuba, etc." added Trofaila. "The foodstuffs imported from these countries create competition for those produced in Moldova. For example, the ice-cream imported from Syria is in great demand in Moldova," concluded the quoted source.

Danish Firm To Help Agriculture Sector

AU1508195694 Chisinau BASAPRESS in English 0700 GMT 12 Aug 94

[Text] Chisinau, BASAPRESS, 12/8/1994—Worsened by the unprecedented serious drought, the crisis affecting Moldovan agriculture and first of all the animal husbandry sector decreased Moldova's chances to overcome on its own the disastrous economic situation. Under these circumstances the assistance of the European Economic Community (EEC) is more than welcome. Winning the contest among projects on settlement of various problems announced by the EEC, the Danish firm "Danagro" began to operate in Moldova.

According to experts, the great advantages of the project compared with the other ones proposed by German, French, British and Dutch firms are that it would permit the specialists to settle a very difficult problem, that is, to optimize in Moldova the economic relations between the partners of meat producers. The firm's activity is sponsored by the EEC. "Danagro" received a seventh part of those 10 M ECU granted to Moldova by the EEC.

Dr. Douglas White, Danish firm representative to Chisinau, told BASA that during the last two decades over 80 countries, including India, China, Turkey, Argentina, Hungary, Poland and Portugal, benefited from 350 economic stabilization projects elaborated by "Danagro". Dr. White stated that he hopes to see the result of the firm's activity, economic redress in Moldova, before he departs, that is within 2-3 years. He also mentioned that in the countries where he worked the farms producing pork had a smaller livestock. Moreover, in those countries there are no disproportions in the development of various ownership forms.

According to an estimate by the "Danagro" at 42 inter-farm combined fodder enterprises the output is similar to that in the past-war [as received] Denmark, and at the "Cereale" state enterprises it corresponds to modern

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requirements. Nevertheless, White believes that privatization in agriculture would lead to the settlement of the relations between suppliers and processing enterprises. He specified that "Danagro" proposes several privatization methods offering the government a possibility to choose. On the other hand, the firm is ready to make proposals even though pork producing enterprises will still be run by the state. [Note: Denmark is leading in the productivity of meat and milk industry. With farms occupying less than 36 hectares whose total number of employees represents four percent of all labor force, Denmark is the only country where meat production, 10.5 M tons, exceeds the number of population, 5 M people, whereas milk production per capita equals one ton.]

According to the Agriculture and Food Ministry, in the seven months of 1994, production of milk decreased 15 percent, meat 39 percent, and eggs 46 percent in comparison with the same period of 1993. The stock of cattle, hogs and poultry decreased respectively by 94.3 percent; 152,100 and 1.700,000 heads. According to the most optimistic forecasts, by the end of 1994 Moldova will have more than 150,000 heads of cattle, 400,000 hogs and less than 1,000,000 heads of poultry. This level is less than in the 1950's and there is no way to compare them to their level in Denmark. Local observers say that by spring the prices for animal husbandry production will triple.

Ion Urzica, head of the direction of animal husbandry complex development, stated in a meeting at the Food and Agriculture Ministry that if the rates of reducing the stock of hogs will persist by the end of 1994 there will be less than 100,000 hogs in Moldova. Meanwhile "Danagro" has already sent their estimates on the situation in the branch and the recommendations on crisis settlement to the Agriculture and Food Ministry. Local observers believe that specialists from the Ministry are suspicious about them and regard their recommendations as "save belts" harder than lead whose "main purpose is to destroy agriculture in order to transfer to private individuals what belongs to the state".

Even Vitalie Slipenki, vice minister of agriculture and food, states in the governmental newspaper NEZAVISIMAYA MOLDOVA that "time has come to ask foreign experts why are we rolling down even though we follow their advice?" Nevertheless, Ion Urzica stated to BASA that Danagro's documents will be examined in the nearest future by a scientific-technical council. The "Cereale" association will examine these proposals later as it is undergoing a transformation into a structure of the Agriculture and Food Ministry.

Experts Optimistic About Privatization Objectives

AU1508203594 Chisinau BASAPRESS in English 1935 GMT 12 Aug 94

[Text] Chisinau, BASAPRESS, 12/8/1994—40 percent of the objectives set in the state privatization program for 1992-1994 will be fulfilled, states the newspaper LOGOS PRESS, quoting the opinion of some decision-makers engaged in privatization. The same sources point out that there will be a great demand for shares of small firms. The interest in large enterprises is diminished by their disastrous technical and financial situation. The paper states that 2,174 state enterprises whose total assets amount to 1 billion lei ($278 million) were included in the Moldovan state patrimony register. Sources from the Privatization Ministry specified that the assets of another, 3,160 state enterprises will be also registered. Previously, the assets of the enterprises to be privatized were evaluated at 4.25 billion lei (at the price level as of January 1, 1993). Experts say that these calculations are not precise as the assessment of Dniester economic units' assets was carried out according to outdated data and when assessing processing enterprises the stock of goods was also taken into account, states LOGOS PRESS.

90% of Firms Have Private Capital

AU1508195194 Chisinau BASAPRESS in English 1935 GMT 12 Aug 94

[Text] Chisinau, BASAPRESS, 12/8/1994—Around 90 percent of Moldovan economic entities included in the Moldovan State Register are enterprises and firms with private capital. According to statistics, as of July 31, 1994 58,384 economic entities were registered in Moldova, including 2,658 state enterprises. 1,100 joint stock companies, 2,297 production cooperatives 14,298 limited liability companies, 487 joint ventures, 19,364 sole proprietorships as well as 20 investment funds and 14 trust companies. Victor Cretu, director of State Registration Chamber, stated to BASA that in the first seven months of this year a growth trend in the number of farms was observed and that this tendency will persist during the following two or three years, while the number of limited liability companies continues to fall due to the exaggerated size of the required statutory fund (100 minimum salaries 1,800 lei or $435). In January-July, 1994, the State Registration Chamber has authorized the performance of 172 state enterprises, 15,320 farms, 1,700 limited liability companies, 475 joint-stock companies, 150 production cooperatives and 5,074 sole proprietorships.

Introduction of New Currency in Dniester Postponed

LD1508171094 Moscow INTERFAX in English 1525 GMT 15 Aug 94

[Text] The introduction of a local currency in the self-proclaimed Transdniester Moldovan Republic will be put off. The new coupons will replace the old Soviet rubles that are still used in the area.

The chairman of the local bank Vyacheslav Zagriatskiy said the exchange should have started on August 15 and ended on September 1, but appropriate regulations, the

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procedure and rates of exchange were not worked out on time, neither has there been any decision on the maximum sum of exchange.

Zagriatskiy also said the exchange would not be of confiscating nature and the timeframe would allow all residents to change their money without any problems.

He said that for approximately one month coupons and rubles would be used simultaneously. Evidently there will be no restrictions on the amount of exchanged money, because the bank has enough cash to last out a long time.

Zagriatskiy did not name any figures, but according to a source in the bank the sum runs into trillions. A total of 120 tonnes of new banknotes were printed in Moscow. They are protected against counterfeiting in several ways. They do not carry state symbols of the self-proclaimed republic but will actually serve as its currency.

Despite the declarations that the exchange would not be confiscatory, the public in Tiraspol and several other towns was agitated on Monday and the exchange rates of the dollar and Russian ruble grew sharply.

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Kazakhstan

Nazarbayev Praises Armed Forces at Military Exercise

LD1508195994 Moscow INTERFAX in English 1800 GMT 15 Aug 94

[Text] Kazakh President Nursultan Nazarbayev highly praised the situation in the Kazakh Armed Forces. Nazarbayev was speaking at the military exercise at the Otar training site 200 kilometers from Alma-Ata [Almaty] today.

Nazarbayev stressed that Kazakhstan needs a well trained and well prepared army in order to defend its sovereignty and territorial integrity. At the same time, Nazarbayev said that the military doctrine of Kazakhstan is aimed merely at self-defense and that Kazakhstan has no territorial, economic or political claims on its neighbors.

Nazarbayev once again spoke of his idea of creating a Eurasian Union. The initiative provides for creating a single defense space and single borders of the countries which could become members of the Eurasian Union. "We must defend ourselves jointly," Nazarbayev said.

He highly appraised the treaty on military cooperation signed with Russia which provides for contract service, service in joint military formations, mutual supply of military equipment and utilization of the capacities of the military industrial complex of the two countries.

Nazarbayev announced that he had recently signed a decree increasing the wages for all officers and contracted servicemen. "The state will pay much attention to strengthening the army," Nazarbayev said.

About 5,000 servicemen, tank and artillery units and military aircrafts took part in the military exercise.

Velayati Meets Kazakh Foreign Minister, Speaker

LD1208190494 Tehran IRNA in English 1650 GMT 12 Aug 94

[Text] Alma Ata [Almaty], Aug. 12, IRNA—Iranian Foreign Minister 'Ali Akbar Velayati and his Kazakh counterpart Kanat Saudabayev here Friday held talks on political and economic issues and the contribution of the two countries towards regional cooperation.

The two sides also underscored the two countries' firm political determination to accelerate the trend of bilateral cooperation and reach necessary agreements.

They also explored ways of implementing the agreements reached especially in the area of transportation, and exchanged views on making joint efforts to establish regional peace and stability.

Velayati and Saudabayev stressed Tehran-Alma Ata cooperation within the framework of the 10-nation Economic Cooperation Organization (ECO).

The two officials also confirmed the will of Iranian and Kazakh presidents to expand and deepen bilateral relations to establish "sincere, durable and fruitful" cooperation between the two nations.

Velayati and Saudabayev exchanged views on political issues of mutual interest, especially Tajikistan and Afghanistan, and assessed ways to restore peace to the two countries in order to strengthen regional stability.

They also held talks on the intergovernmental oil and energy session which is to be held in Tehran late August with the oil minister of Iran, Kazakhstan, Turkmenistan, Turkey and Russia in attendance.

In a separate meeting today with the speaker of Supreme Council of Kazakhstan, Abish Kekilbayev, Friday Velayati termed as "excellent" the prospects of Tehran-Alma Ata relations.

Kekilbayev, who is a prominent cultural figure in his country and interested in Oriental culture, expressed hope that parliamentary friendship groups would be set up by the two countries. He said he is looking forward to his visit to Iran in respone to the invitation by his Iranian counterpart Hojjat ol-Eslam 'Ali Akbar Nateq-Nuri.

Kyrgyzstan

Akayev, Iran's Velayati Comment on Talks

LD1508163994 Moscow INTERFAX in English 1504 GMT 15 Aug 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] President Akayev told Iranian Foreign Minister 'Ali Akbar Velayati that the complicated problems facing Afghanistan and Tajikistan cannot be solved without the involvement of such an influential Muslim state as Iran.

He also said that progress in the inter-Tajik dialogue and a compromise between the Tajik authorities and the opposition largely depended on the mediatory efforts of Iran.

Asked by Akayev about prospects for negotiations, Velayati proposed that during the forthcoming presidential elections scheduled for September the government and the opposition should advance their candidates, while the U.N. and other international organizations should act as the guarantors of the Tajik people's free choice and send in their observers. Velayati also said he favored Russia's participation in the implementation of this plan.

He agreed with Akayev that the first and second rounds of the inter-Tajik talks might be held on the condition that the level of the delegations be enhanced.

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He said that prospects for political settlement in Tajikistan were more favorable than the chances for reconciliation in Afghanistan. "The situation in Afghanistan is much more complicated," said Velayati.

Akayev and the Iranian foreign minister agreed to hold regular consultations on ways of strengthening peace and stability in the region.

They also talked in detail about trade and economic relations between the two countries. Akayev said that Kyrgyzstan would welcome Iranian companies' participation in oil and gas prospecting projects.

Velayati expressed Iran's interest in setting up an intergovernmental commission for the implementation of the reached agreements. He said that the Iranian government would open a special bank account of $10 million to back up trade between Kyrgyzstan and Iran. This is expected to give a fresh impetus to bilateral trade, he said.

Velayati told Interfax in an exclusive interview that he was pleased with the talks. He said mutual understanding had been reached on trade, transit, oil and gas, and joint efforts in the Economic Cooperation Organization.

Commenting on the results of the talks Kyrgyz Foreign Minister Roza Otunbayeva said that they attested to dynamic and efficient bilateral cooperation. The two countries' further efforts must be aimed at the implementation of more than 30 agreements, she said.

Tajikistan

Tajik Leader Rakhmonov Meets With UN Envoy's Aide

LD1608082394 Moscow ITAR-TASS World Service in Russian 0551 GMT 16 Aug 94

[By KHOVAR TELEGRAPHIC INFORMATION AGENCY—TASS correspondent Mukhammadato Sultonov]

[Text] Dushanbe 16 August—Questions of the forthcoming third round of inter-Tajik talks were discussed on Monday evening by Emomali Rakhmonov, chairman of the Supreme Soviet of Tajikistan, and Vladimir Goryayev, aide to the special UN envoy to Tajikistan, who arrived in the Tajik capital.

The Tajik leader stressed that political dialogue and talks were the means for achieving national reconciliation and stabilization of the situation in the country. Vladimir Goryayev was acquainted with how the political reforms in Tajikistan were proceeding. Moreover during his visit he will meet representatives of international organizations accredited to Tajikistan and also visit a number of regions of the republic.

Rakhmonov Heads to Moscow for Talks

LD1608115194 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 16 Aug 94

[Text] Chairman of the Supreme Soviet of the republic of Tajikistan Emomali Rakhmonov left on a working visit for Moscow this morning. In the Russian capital he is scheduled to meet with Russian Prime Minister Viktor Chernomyrdin. Urgent aspects of the Tajik-Russian relations will be examined.

Regional Leader: Presidential Elections 'Inexpedient'

LD1508162094 Moscow INTERFAX in English 1324 GMT 15 Aug 94

[Text] Presidential elections in Tajikistan are "inexpedient", and if conducted could trigger a stand-off in the republic, a leader of Badakhshan (an autonomous region in eastern Tajikistan), requesting anonymity, believes.

"Pamir residents will not nominate their candidate to the presidency," he declared to Interfax Monday. At the same time, he stressed that "at present not a single nominee is suitable for us."

Running for the presidency in Tajikistan are current parliament chairman Emomali Rakhmonov and ex-premier Abdumalik Abdullojanov, the republic's ambassador to Russia. Elections are scheduled for September 25.

The source reported that lawmakers from Vancha and Kalaikhuma (Badakhshan communities) were absent from last week's meeting for nominating presidential candidates in Khorog (Badakhshan's capital) due to pressure and outright violence coming from the opposition. In his words, a certain amount of pressure for one or another candidate's nomination was exerted by the government in Dushanbe.

The next meeting in Khorog is tentatively scheduled for August 23.

Armed Opposition Leader Arrested

LD1508153194 Moscow ITAR-TASS World Service in Russian 1256 GMT 15 Aug 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 15 Aug—An activist of the armed Tajik opposition, Rakhimov, was arrested on the evening of 14 August on the outskirts of Dushanbe. The press center of the republic's Ministry of Internal Affairs says he is implicated in a number of serious crimes against the republic's constitutional order and suspected of direct involvement in organizing the murders of seven Tajik militia officers, who were killed in spring and summer of this year.

It has also been established that Rakhimov underwent instruction at a special camp in Afghanistan where,

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together with other guerrillas, he was trained to carry out partisan warfare in Tajikistan.

An investigation is under way.

Turkmenistan

President Niyazov Returns From Pakistan

LD1608092394 Ashgabat Radio Ashgabat Network in Russian 0200 GMT 16 Aug 94

[Text] Turkmen President Saparmurad Niyazov returned from his official trip to Pakistan last night. He was met at the [words indistinct] airport by deputies of the leader of the country, members of the Cabinet of Ministers, and other officials.

Uzbekistan

Joint Communique Issued on Velayati's Visit

NC1308072694 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0330 GMT 13 Aug 94

[Text] At the end of Foreign Minister Velayati's official visit to the Republic of Uzbekistan, a joint communique was simultaneously issued in both countries today. The communique says that during this visit, Velayati and his delegation met and held friendly talks with Uzbek President Islam Karimov, leaders of the Supreme Soviet, and some officials of the Uzbek Government. During the talks, the significance of mutual visits by the presidents of the two countries for the further expansion and consolidation of bilateral, regional, and international relations and for the expansion of commercial and economic relations was stressed.

The need to activate the commission on mutual economic-commercial cooperation between the two countries which is described as an important step toward the fulfillment of the agreements between the two sides was also emphasized by the officials of the two countries. Also, the expansion of banking cooperation, the expansion of the transportation network, opening of direct air flights between the two countries, and helping to accelerate the construction of the Mashhad-Sarakhs railway were among the other important topics discussed by the two sides.

The communique states that the Republic of Uzbekistan will open its embassy in Tehran soon and that the Islamic Republic of Iran has expressed its readiness to host a delegation from the Republic of Uzbekistan to discuss the topics in question.

On regional affairs, the two sides stress the need to consolidate cooperation within the framework of the Economic Cooperation Organization, ECO.

In the communique, Tehran and Tashkent express their concern over the worsening situation in Tajikistan, which they describe as destabilizing, and the significance of the UN's timely initiative on organizing the Tajikistan peace talks. During the talks, the Uzbek Government described the mediatory roles played by Russia and the Islamic Republic of Iran in creating the necessary conditions for successfully convening the two rounds of [Tajik] peace talks.

The communique states that the two countries' foreign ministers believe that the conflicting sides should display more interest and exert more efforts for peace and for fulfilling the lofty interests of Tajikistan and that the process of talks under UN supervision should continue until the achievement of peace, the return of the refugees, and the commencement of reconstruction in Tajikistan.

The two sides also reached an agreement on holding a session of regional foreign ministers in either Tehran, Tashkent, or other regional capitals for regular consultations concerning Tajikistan. The Iranian side was informed of Uzbekistan's new proposal on a peaceful solution of the Tajikistan problem within the framework of the UN plan. The two countries' foreign ministers agreed to form a joint group of experts to examine each other's proposals and to adopt common positions.

During the discussions on Afghanistan, the two sides expressed concern over the intensification of conflicts in that country and expressed hopes that the establishment of peace and tranquility in Afghanistan will help toward stability in Tajikistan and in the region in general. On this basis, the two countries' foreign ministers stress the need to respect the territorial integrity, sovereignty, and non-interference in the domestic affairs of Afghanistan and call for a peaceful solution of the crisis by bearing in mind the interests of the various strata of people in Afghanistan through comprehensive talks. Referring to the mass stockpiling of arms in Afghanistan, the two sides state that the continuation of this situation will lead to worsening fratricide in that country.

The Iranian side described as significant a proposal by the Uzbek president on forming a standing seminar on regional security affairs. The Uzbek side stressed the significance of the Islamic Republic's peace-seeking efforts within the framework of the activities of regional countries for ensuring security and stability.

The foreign minister of the Islamic Republic of Iran expressed gratitude for the warm hospitality extended to the Iranian delegation and extended an official invitation to the Uzbek foreign minister to visit the Islamic Republic of Iran, which the Uzbek foreign minister happily accepted.

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Kyrgyz Foreign Minister Visiting

LD1608104094 Tashkent Radio Mashal in Uzbek 1800 GMT 15 Aug 94

[Text] Rosa Otunbayeva, minister of foreign affairs of Kyrgyzstan arrived in the capital of our country. The guest was met at the Tashkent Airport by Saidmukhtar Saidkasymov, minister of foreign affairs of Uzbekistan. Otunbayeva, during her talk with journalists said that regular practical and friendly meetings are taking place between leaders of our [word indistinct]. She said: the meeting of the foreign ministers of the two countries is also a continuation of these fraternal and good-neighborly relations. We have many issues to discuss and exchange views on international, regional, and inter-states relations. I shall pay special attention to further strengthening the cooperation between the foreign ministries of the two countries. Present at the ceremony of meeting was Zhigitov, the extraordinary and plenipotentiary ambassador of Kyrgyzstan to our country.

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Azerbaijan

Parliamentary Elections Set for Jun, Jul '95

LD1508164894 Moscow INTERFAX in English 1412 GMT 15 Aug 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovski; edited by Vladimir Shishlin]

Parliament speaker Rasul Guliyev went on the national television to say that the parliamentary elections will be held next June or July.

He said that the draft election legislation will be published next September, discussed by the entire population and in October, by the milli-majlis.

IF Note: Experts of the presidential headquarters are said to be actively contributing to the draft. Under it the next parliament will have 150 seats, as proposed by President Heydar Aliyev. He said that there were too few members in the present parliament, 50, and this was the reason why numerous important bills were not passed.

Guliyev said that the gap between the opposition and the country's leaders on ways to overcome the Armenian-Azerbaijani conflict had narrowed lately. The two sides agree that the occupied territories of the country must be liberated and the territorial unity and safety of Azerbaijan's borders must be secured, Guliyev emphasized.

He believed that the positions of the government and opposition parties on ways to achieve these goals are coming closer together.

Observers say that the two sides will overcome differences on the sending of a Russian peacekeeping force to the Karabakh area.

IF Note: In its recent statement the Democratic Congress of Azerbaijan which incorporates the main opposition parties such as Musavat and the Popular Front said that Russia acts in the Armenian-Azerbaijani conflict as Armenia's military and political ally and so the Russian peace plan is in conflict with Azerbaijan's interests. The congress wants the conflict to be resolved under the supervision and with the mediation of international organizations, in particular the CSCE rather than of individual countries. Aliyev has repeatedly voiced a similar opinion saying the Russian troops cannot be stationed in Azerbaijan unless they have a CSCE mandate.

Assasination Attempt on Elchibey Reported

NC1508182494 Baku TURAN in English 1659 GMT 15 Aug 94

[Text] Baku (August 15) TURAN—A statement made by the press-service of the ex-president of Azerbaijan Abulfaz Elchibey on August 13 says:

"On August 11 the guard of the former President of Azerbaijan Abulfaz Elchibey who was overthrown on June of 1993 detained two suspicious persons in the environs of Keleki and Ustyupu villages of Nakhchivan, where lives Abulfaz Elchibey and some of his closest comrades at present.

The detained people confessed that they were from the special group of 17 people, who directed by the order of Geydar Aliyev. The group was aimed to cause a physical force against Abulfaz Elchibey and his closest fellow-fighter Faradzh Guliyev. One of the detained confessed that he was acting by the direct order of Geydar Aliyev and the was prepared by Mirzoyev, the police chief of Nakhchivan.

As it was planned that the attack to Keleki village would be aimed by four directions. The police forces of Nakhchivan and Ordubad as well as the special regiment of the Defense Ministry are supposed to take part in the attack. Before the attack the diversion group of 17 people was to create disorders.

In order to approve the taken measures an official announcement had been prepared in advance about the armed resistance by the supporters of Abulfaz Elchibey.

According to the press-service "some inhabitants of the neighborhood villages who before collaborated with the security organs of the former USSR were distributed fire-arms. At present a company of the Defense Ministry has been located near the Paragachay River to the west of the Ustyupu village, which is to take part in the planned action.

Azeri Officers To Create Union

NC1108210594 Baku TURAN in English 1805 GMT 11 Aug 94

[Text] Baku, August 11 (TURAN)— The Group of officers from Azerbaijan's Ministry of Internal Affairs and Defense Ministry forwarded a proposal to create "Union of Azeri Officers", the source from the Ministry of Internal Affairs told TURAN. The officers suggested that the Deputy Minister of Internal Affairs, Roushan Dzhavadov, should be appointed the Chairman of the Union.

Speaking with TURAN's correspondent, Roushan Dzhavadov, said that presently the group of officers works out the charter and the programme of new organization. Dzhavadov also said that the purpose of the Union is the protection of rights and interests of Azeri officers. However, Roushan Dzhavadov refused to take the office of the Chairman of the "Union of Azeri Officers".

Iranian Foreign Minister Velayati Starts Visit

NC1508140794 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 15 Aug 94

[Text] The Iranian Foreign Minister 'Ali Akbar Velayati concluded his official visit to the Central Asian republics and arrived in Baku today from Bishkek. Our correspondent Adalet Aliyev reports.

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[Begin recording] The republic's Foreign Minister Gasan Gasanov, Iranian Ambassador to Azerbaijan 'Ali Akbar Nahavandian, and other officials welcomed the delegation headed by Dr. Velayati at Bina Airport.

During his three-day official visit, the head of the Foreign Ministry of the neighboring country will meet the republic's President Geydar Aliyev, Chairman of the Supreme Soviet Rasul Guliyev, and Prime Minister Suret Guseynov. After visiting the mausoleum of our talented poet Nizami Ganja at Ganja, he will leave for Nakhichevan Autonomous Republic, where he will attend the inauguration of the Iranian Consulate and the ground-breaking ceremony for the residential building for the Iranian diplomats.

The republic's Foreign Minister Gasan Gasanov and 'Ali Akbar Velayati held a meeting today. Following a one-on-one talk between them, a meeting took place with the participation of the representatives of the republic's ministries, enterprises, and organizations.

Gasan Gasanov said that Dr. Velayati is visiting Azerbaijan at his [Gasanov's] request and the aim is to examine the implementation of the agreements signed during the latest meeting between the Azerbaijani and Iranian presidents, to search for ways to resolve the emerging problems, and to determine the future course of cooperation.

'Ali Akbar Velayati said that such agreements lay the foundation for the further development of the political, economic, and cultural ties between the two sides.

In touching upon the Armenian-Azerbaijani conflict, the Iranian foreign minister stated that Iran has always condemned Armenia's occupationist policy and asked the leadership of that country for the unconditional withdrawal of the Armenian troops from the occupied lands of Azerbaijan.

The delegation left for Ganja today. [end recording]

Makes Pre-Talks Statement

NC1508201594 Baku AZERTAC in English 1757 GMT 15 Aug 94

[Text] Baku August 15—Iran adheres to justified and political resolution of the conflict over Nagorno-Karabakh. This statement was made by the foreign minister of the Iran Islamic Republic Mr. 'Ali Akbar Velayati before the negotiations between the two parties today.

Mr. Velayati, who came to Baku with a three-day official visit in order to continue consultations with the Azerbaijani leadership concerning a number of issues which are of great interest for two neighbouring countries, also said that his country considered actions of Armenia regarding Azerbaijan aggressive and thought Armenia had to withdraw all its troops from all the occupied Azeri territory without any preliminary conditions. The Iranian foreign minister has stressed that Iran is interested in this both as a neighbouring country and the country adhering to development and strengthening of mutual trade and economic relationships with Azerbaijan.

The Azerbaijani party has stressed that continuing occupation interferes a realization of the joint programmes between the two countries and specifically, construction of the two of hydro-electric stations on the Araks River and large reservoirs in the districts of Kubatlinskiy, Dzhebrailsky and Zangelanskiy that situated in the south-west of Azerbaijan and have been under control of Armenia for about a year.

According to the information available, issues on trade and economic co-operation, relations concerning custom and information spheres have been mainly discussed during the negotiations. Supposedly, parties to the negotiations have also discussed issues on more effective exploitation of joint communications including [word indistinct].

Urges Withdrawal of Occupying Forces

LD1508173894 Tehran IRIB Television First Program Network in Persian 1630 GMT 15 Aug 94

[Text] Iran has always condemned the occupation of Azerbaijan's territory and called for the withdrawal of the occupying forces from areas under their occupation.

Foreign Affairs Minister 'Ali Akbar Velayati, who is continuing his tour of Central Asian countries, arrived today in Baku, the capital of Azerbaijan, and made the above statement in the course of his first round of talks with Azerbaijani Foreign Affairs Minister Hasan Hasanov.

Mr. Velayati stated: One cannot resolve disputes by resorting to military conflicts and the occupation of another country's territory. We will always support the nation and Government of Azerbaijan in their efforts to liberate their occupied territory.

Pledges Continued Support

LD1508200894 Moscow INTERFAX in English 1800 GMT 15 Aug 94

[Text] Iran has denounced the occupation of Azeri lands and believes that Armenian troops should unconditionally leave all occupied territories. The statement was made by the Iranian Foreign Minister 'Ali Akbar Velayati during his Monday meeting in Baku with his Azeri counterpart Hasan Hasanov.

Iran will continue supporting Azerbaijan in its "fair struggle," the official stressed.

Also on Monday the ministers held a session of a mixed commission which discussed the implementation of bilateral agreements signed during the visits of the Iranian President 'Ali Akbar Hashemi-Rafsanjani to Baku last autumn and the Azeri leader Heydar Aliyev to Iran this summer. The officials recognized that the visits

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formed a good foundation for the development and deepening of bilateral relations.

On Monday evening 'Ali Akbar Velayati left for a brief visit to the second biggest Azeri town Gyandzha where he will be taken to the mausoleum of the classical Azeri author Nizami Gyandzhevi.

On Tuesday he is to meet with President Aliyev, Prime Minister Surat Huseynov, speaker Rasul Guliyev, and leave for home on Wednesday.

Iran Continues To Provide Aid to Refugee Camps

NC1508183994 Baku TURAN in English 1658 GMT 15 Aug 94

[Text] Baku (August 15) TURAN—"Azerbaijan has appealed to Iran with a request to replace old tents in the camps of refugees and got a positive answer. A work is going on in this direction," Turan was told by Adalet Fataliyev, Deputy of Committee for Refugees.

He did not confirm the rumours that the Iranians are leaving the camps of refugees, which were built and controlled by them in the Imishlinskiy region.

According to Fataliyev, Iran undertook to be guardian of 100,000 Azeri refugees. "Presently, 52,000 refugees have been settled, with help of Iran and additional 48,000 refugees will be settled by the end of this year, due to Iranian charitable organization "Khilal Akhmer"," said Fataliyev. He added that Iran undertook also supply of food.

According to the Committee for Refugees, presently, 882,419 refugees have been formally registered in Azerbaijan, 245,000 of them are refugees from Armenia, the Turks-Meskhets [Meskhetian Turks], from Middle Asia. The rest 637,419 people, are refugees from the occupied Nagorno-Karabakh and from the Azeri regions, bordering with Armenia.

For each individual, having the status of the refugee, the government allocates 2,000 manats, as an aid, per month.

Moscow Envoy Cited on Second Round of Karabakh Talks

LD1508151794 Moscow INTERFAX in English 1341 GMT 15 Aug 94

[From the "Diplomatic Panorama" feature: by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] The talks on Nagorno-Karabakh will be resumed in Moscow on August 23 or 24, the Azeri Ambassador to Moscow, Ramiz Rizayev, told Interfax on Monday.

According to him, the 2nd round will be held on a higher level, than the 1st, at which the delegations were led by deputy foreign ministers.

As Interfax already reported, at their talks in Moscow, whose 1st round ended on Saturday, the representatives of Azerbaijan, Armenia and Nagorno-Karabakh are drafting a large-scale political agreement on resolving the conflict in Karabakh. Their debates proceed through the mediation of the special envoy of the Russian president, Vladimir Kazimirov.

As Azerbaijan's ambassador said, during the 1st round the delegations coordinated more than one half of the document's 15 points.

He described as the "greatest success" the agreement on exchanging the prisoners and hostages, first of all women and children, with the help of the International Committee of the Red Cross. "This was one of the most painful problems, and its solution initiated by Azerbaijan will undoubtedly have a positive impact on the further course of the talks, Rizayev noted.

"The talks are proceeding in an uneasy atmosphere," he conceded. There are numerous differences in the stands taken by the parties concerned, but they are surmountable," the ambassador said. "It would be naive to think that such talks will proceed smoothly, but prospects are visible. The very fact that the delegations sat around one table for ten days and engaged in a dialogue speaks for itself."

Interfax's interviewee said he is confident that after consultations with their leaderships the delegations will come back to the next round of talks better prepared.

"Even if we fail to conclude our work on the agreement in August, as we planned, the ceasefire agreement extended for 90 days gives us additional two months," the ambassador said. He firmly believes that none of the parties concerned intends to resume military actions.

Interfax's interviewee made it clear that Baku is prepared to consider the future status of Nagorno-Karabakh only when Azeri territories are freed. "What Nagorno-Karabakh will be - an autonomous republic, a cultural autonomy or something else - depends on the process of freeing our lands," the ambassador pointed out.

Earlier Nagorno-Karabakh had the status of autonomous region, he noted. "It's necessary to revert at least to its former status quo before beginning talks on this issue," Rizayev said. "And how can we discuss this problem, when 20 percent of our land has been seized?"

As the diplomat said, Baku "recognizes Nagorno-Karabakh as a party to the conflict, "but only armed, not political."

Rizayev described the role played by Russia in settling the Karabakh conflict as "very positive". "Moscow is sincerely seeking to put an end to the conflict, the more so as it bears some responsibility for it as successor to the USSR," the ambassador stressed.

For his part, a high-ranking member of Armenia's embassy in Moscow, Vartan Toganian, told Interfax he

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hopes that the upcoming round of talks on Nagorny Karabakh "will be the concluding one in terms of debates on the draft of a large-scale political agreement."

According to him, the work on coordinating the document may be concluded in September.

"About one half of the agreement" was considered during the first round, Interfax's interviewee noted.

Toganian confirmed that participants in the talks did not discuss the status of Nagorno-Karabakh, having decided to devote separate negotiations to that topic.

According to the diplomat, at the recent round of talks the debates focused largely on a wide range of military-technical measures, which included the ways to create a "buffer strip" in the conflict area, and deploy international security forces there."

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Azerbaijan

Parliamentary Elections Set for Jun, Jul '95

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Urges Withdrawal of Occupying Forces

LD1508173894 Tehran IRIB Television First Program Network in Persian 1630 GMT 15 Aug 94

[Text] Iran has always condemned the occupation of Azerbaijan's territory and called for the withdrawal of the occupying forces from areas under their occupation.

Foreign Affairs Minister 'Ali Akbar Velayati, who is continuing his tour of Central Asian countries, arrived today in Baku, the capital of Azerbaijan, and made the above statement in the course of his first round of talks with Azerbaijani Foreign Affairs Minister Hasan Hasanov.

Mr. Velayati stated: One cannot resolve disputes by resorting to military conflicts and the occupation of another country's territory. We will always support the nation and Government of Azerbaijan in their efforts to liberate their occupied territory.

Pledges Continued Support

LD1508200894 Moscow INTERFAX in English 1800 GMT 15 Aug 94

[Text] Iran has denounced the occupation of Azeri lands and believes that Armenian troops should unconditionally leave all occupied territories. The statement was made by the Iranian Foreign Minister 'Ali Akbar Velayati during his Monday meeting in Baku with his Azeri counterpart Hasan Hasanov.

Iran will continue supporting Azerbaijan in its "fair struggle," the official stressed.

Also on Monday the ministers held a session of a mixed commission which discussed the implementation of bilateral agreements signed during the visits of the Iranian President 'Ali Akbar Hashemi-Rafsanjani to Baku last autumn and the Azeri leader Heydar Aliyev to Iran this summer. The officials recognized that the visits

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formed a good foundation for the development and deepening of bilateral relations.

On Monday evening 'Ali Akbar Velayati left for a brief visit to the second biggest Azeri town Gyandzha where he will be taken to the mausoleum of the classical Azeri author Nizami Gyandzhevi.

On Tuesday he is to meet with President Aliyev, Prime Minister Surat Huseynov, speaker Rasul Guliyev, and leave for home on Wednesday.

Iran Continues To Provide Aid to Refugee Camps

NC1508183994 Baku TURAN in English 1658 GMT 15 Aug 94

[Text] Baku (August 15) TURAN—"Azerbaijan has appealed to Iran with a request to replace old tents in the camps of refugees and got a positive answer. A work is going on in this direction," Turan was told by Adalet Fataliyev, Deputy of Committee for Refugees.

He did not confirm the rumours that the Iranians are leaving the camps of refugees, which were built and controlled by them in the Imishlinskiy region.

According to Fataliyev, Iran undertook to be guardian of 100,000 Azeri refugees. "Presently, 52,000 refugees have been settled, with help of Iran and additional 48,000 refugees will be settled by the end of this year, due to Iranian charitable organization "Khilal Akhmer"," said Fataliyev. He added that Iran undertook also supply of food.

According to the Committee for Refugees, presently, 882,419 refugees have been formally registered in Azerbaijan, 245,000 of them are refugees from Armenia, the Turks-Meskhets [Meskhetian Turks], from Middle Asia. The rest 637,419 people, are refugees from the occupied Nagorno-Karabakh and from the Azeri regions, bordering with Armenia.

For each individual, having the status of the refugee, the government allocates 2,000 manats, as an aid, per month.

Moscow Envoy Cited on Second Round of Karabakh Talks

LD1508151794 Moscow INTERFAX in English 1341 GMT 15 Aug 94

[From the "Diplomatic Panorama" feature: by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] The talks on Nagorno-Karabakh will be resumed in Moscow on August 23 or 24, the Azeri Ambassador to Moscow, Ramiz Rizayev, told Interfax on Monday.

According to him, the 2nd round will be held on a higher level, than the 1st, at which the delegations were led by deputy foreign ministers.

As Interfax already reported, at their talks in Moscow, whose 1st round ended on Saturday, the representatives of Azerbaijan, Armenia and Nagorno-Karabakh are drafting a large-scale political agreement on resolving the conflict in Karabakh. Their debates proceed through the mediation of the special envoy of the Russian president, Vladimir Kazimirov.

As Azerbaijan's ambassador said, during the 1st round the delegations coordinated more than one half of the document's 15 points.

He described as the "greatest success" the agreement on exchanging the prisoners and hostages, first of all women and children, with the help of the International Committee of the Red Cross. "This was one of the most painful problems, and its solution initiated by Azerbaijan will undoubtedly have a positive impact on the further course of the talks, Rizayev noted.

"The talks are proceeding in an uneasy atmosphere," he conceded. There are numerous differences in the stands taken by the parties concerned, but they are surmountable," the ambassador said. "It would be naive to think that such talks will proceed smoothly, but prospects are visible. The very fact that the delegations sat around one table for ten days and engaged in a dialogue speaks for itself."

Interfax's interviewee said he is confident that after consultations with their leaderships the delegations will come back to the next round of talks better prepared.

"Even if we fail to conclude our work on the agreement in August, as we planned, the ceasefire agreement extended for 90 days gives us additional two months," the ambassador said. He firmly believes that none of the parties concerned intends to resume military actions.

Interfax's interviewee made it clear that Baku is prepared to consider the future status of Nagorno-Karabakh only when Azeri territories are freed. "What Nagorno-Karabakh will be - an autonomous republic, a cultural autonomy or something else - depends on the process of freeing our lands," the ambassador pointed out.

Earlier Nagorno-Karabakh had the status of autonomous region, he noted. "It's necessary to revert at least to its former status quo before beginning talks on this issue," Rizayev said. "And how can we discuss this problem, when 20 percent of our land has been seized?"

As the diplomat said, Baku "recognizes Nagorno-Karabakh as a party to the conflict, "but only armed, not political."

Rizayev described the role played by Russia in settling the Karabakh conflict as "very positive". "Moscow is sincerely seeking to put an end to the conflict, the more so as it bears some responsibility for it as successor to the USSR," the ambassador stressed.

For his part, a high-ranking member of Armenia's embassy in Moscow, Vartan Toganian, told Interfax he

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hopes that the upcoming round of talks on Nagorny Karabakh "will be the concluding one in terms of debates on the draft of a large-scale political agreement."

According to him, the work on coordinating the document may be concluded in September.

"About one half of the agreement" was considered during the first round, Interfax's interviewee noted.

Toganian confirmed that participants in the talks did not discuss the status of Nagorno-Karabakh, having decided to devote separate negotiations to that topic.

According to the diplomat, at the recent round of talks the debates focused largely on a wide range of military-technical measures, which included the ways to create a "buffer strip" in the conflict area, and deploy international security forces there."

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Estonia

Laar: Russia Must 'Immediately Stop' Demarcation

WS1608103594 Tallinn BNS in English 1817 GMT 15 Aug 94

[Text] Tallinn, Aug 15, BNS—Estonian Prime Minister Mart Laar today lodged with Russian Ambassador to Estonia Aleksandr Trofimov a protest against Russia's unilateral action in marking off the border. Laar demanded that Russian authorities should "immediately stop" such action, the government press service told BNS.

In Laar's opinion, Russia's unilateral action jeopardizes "the certain stabilization" in Estonian-Russian relations that began after the Moscow summit. The Estonian premier reminded Trofimov that Russia's unilateral action in demarcating the border was criticized at the July 7 session of the CSCE Permanent Committee.

"Russia's action may give rise to a complicated situation and it creates the possibility of conflicts. The situation is all the more regrettable as several accords on border issues, including an agreement on border agents, are approaching completion," the premier emphasized. Laar underscored that Estonia is prepared to seek solutions for the practical problems affecting residents of border territories at the negotiating table. In his words, Estonia's proposals to take the question to the International Court of Justice in the Hague, use the opportunities offered by the European Stability Pact to resolve the issue, or use mediation by a special CSCE representative, are still in force. Laar called on Russia to continue seeking solution of the problem through negotiations in the nearest future.

Trofimov acquainted the Estonian premier with Russia's stand on the issue and promised to inform his government about the Estonian side's opinions.

Russia started unilateral demarcation of the border in southeastern Estonia on Thursday. Under the decree Russian President Boris Yeltsin signed in June, the border must be marked off by the end of the year.

Luik, Commission Discuss Accords With Russia

LD1508173094 Tallinn Radio Tallinn Network in Estonian 1500 GMT 15 Aug 94

[Text] Today's meeting between parliament's Commission of Foreign Affairs and Foreign Minister Juri Luik discussed the Estonian-Russian agreements concluded in July. The foreign minister was asked many questions. Vello Saatpalu, chairman of the commission, told ETA that the minister's answers satisfied various people to different degrees.

Some held the view that the agreements must under no circumstances be ratified. It was thought that if Russia were to ratify these agreements, it would be damaging to Estonia. Some members of parliament thought that the agreements must be passed to parliament for ratification.

The foreign minister thought that the Commission of Foreign Affairs could contact the relevant bodies of Russia's parliament in order to find out when the Russian parliament could be discussing the ratification of these agreements.

The foreign minister did not know when the agreements will be submitted to parliament for ratification. He said that it should be done as fast as possible after the agreements are translated into Estonian and the presidents have signed them.

Russian Ship Arrives To Withdraw Remaining Tanks

WS1608103494 Tallinn ETA in English 1757 GMT 15 Aug 94

["News Release"]

[Text] Russian army vessel BDK-110 arrived in Paldiski Port to ship away the last Russian tanks from Estonia, Commandant of Paldiski Raul Luks told ETA. He said that eight tanks that waited in the port were loaded on the ship. Another two will be added during the day.

The vessel is to leave Paldiski on August 17 and return one more time to ship away cars that are now at the Mari airport.

After Estonia and Russia concluded Russian the troop withdrawal agreement on July 26, the Russian Army started to withdraw its troops and technical equipment from Estonia fast, with some vessel with technical equipment leaving Estonia almost every day. The number of troops still remaining is not exactly known.

'Estonian Rebirth Party' Founded in Tartu

WS1608103394 Tallinn ETA in English 1757 GMT 15 Aug 94

["News Release"]

[Text] On Saturday a new party—Estonian Rebirth Party, was founded in Tartu, the aim of which, according to the leaders of the party, was "restoring democratic national state, defending Estonians' national interests and developing market economy, based on private ownership."

At the beginning, the party will mainly operate in South Estonia, but later they intend to expand their activities all over Estonia and also among exiled Estonians. Every citizen of Estonia, who is at least 18 years old, has not belonged to the Communist Party or any other anti-Estonian organisations nor offered aid to them of his own free will, can join the party.

The new party intends to go to the parliamentary elections in spring 1995 in the election list of National

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Association "Right Estonia" (or "Better Estonia"), a right-wing nationalist party founded last spring.

Latvia

Parliament To Take Vote of Confidence 18 Aug

LD1508164994 Moscow INTERFAX in English 1505 GMT 15 Aug 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[Text] Parliament is due to take a vote of confidence in the new government on August 18.

Andrejs Krastins, nominated prime minister, said the government, formed by the Movement for the National Independence of Latvia (MNIL), was not a coalition body but a "team of individual specialists."

The 21 ministers include six MNIL members, holding the portfolios of foreign affairs, welfare, transport, national reforms, environmental protection, and regional development. Two deputy prime ministers are also from the MNIL.

Members of the Peasant Union and the Latvian Path party, which formed the previous coalition government, have received the posts of ministers of finance and agriculture and those of state minister of revenues in the Finance Ministry and state minister of forestry in the Agriculture Ministry.

The posts of state minister of foreign trade and state minister of European Community Affairs, both within the Foreign Ministry, and that of state minister of privatization in the Economics Ministry have gone to members of the nationalist radical organization Tevzemei un Brivibai (For the Fatherland and Freedom).

A member of the Christian Democratic Union, which, along with the MNIL and Tevzemei un Brivibai forms a nationalist bloc, has become state minister of human rights in the Justice Ministry.

The new ministers of defense, economics, the interior, education and science, justice, and culture, and the state minister of health in the Welfare Ministry are unaffiliated. The government includes six women. One of them is the defense minister, Anita Stankevica, former leader of the League of Women of Latvia. IF Note: Up till now only two groups in the 95-seat parliament, the 33-member group of Latvian Path and a four-member one of the Popular Concord Party, have announced that they would vote against the new government.

Birkavs 'Satisfied' With Russian Relations

LD1608095494 Moscow ITAR-TASS World Service in Russian 0754 GMT 16 Aug 94

[By ITAR-TASS special correspondent Lyudmila Aleksandrovna]

[Text] Jurmala (Latvia) 16 Aug—Valdis Birkavs, prime minister and foreign minister of Latvia, is satisfied with the development of relations with Russia, although he also thinks that the reaction of Russian officials to the Latvian Saeima passing the law "on citizenship" was "not appropriate". He said this during a meeting with a group of Russian journalists, invited by the Latvian Government to find out about the situation in the republic.

"I have done quite a lot to make these relations normal and good-neighborly relations between two civilized states," he said in reply to a question from an ITAR-TASS correspondent. The Latvian agreements with Russia concluded this year have created a legal foundation for improvement in relations, he said. Birkavs said he was sure that these agreements would be ratified by the Saeima.

He emphasized that the visit of Viktor Chernomyrdin, chairman of the Russian Federation Government, the dates of which have not yet been set, should give a major impetus to the development of Russo-Latvian relations. Everything is ready for the visit, he reported; 12 draft economic agreements have been worked out. These documents concern, above all, questions of air, rail, and sea transportation. A draft agreement has also been prepared on friendship and mutual understanding, which the prime minister called "semipolitical". "We avoided all difficult points in it," Birkavs added.

On the reaction of official Russia to the law "on citizenship" the prime minister observed that "Russia could have conducted itself completely differently." He thinks that there is no Russophobia in Latvia, and the people as a whole "are far less radical in these matters than the politicians."

The Latvian leader put forward various arguments in defense of the law "on citizenship". The prime minister believes it to be "well-considered". He is convinced that people born in the republic should gain citizenship, first and foremost, rather than those who "arrived 50 years ago with weapons and still have not learned a word of Latvian." However, he added that the law could be improved in the future, depending on how the process of naturalization of the nonindigenous population goes. He believes that cases of Russians being fired are occurring during the normal course of events and not as a result of state policy.

In the prime minister's view, Russian economic sanctions against Latvia, the possibility of which was raised in a recent statement by the president of the Russian Federation, could not significantly affect the Latvian economy. "In practice, economic sanctions can be worked around," he said, adding that the volume of exports to and imports from Russia does not exceed 30 percent, while Russian businessmen, "fortunately, live sufficiently independent lives."

"We neither intend to break off economic relations with Russia nor to be under its thumb," Birkavs said.

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The prime minister described the settlement of the problem of the withdrawal of Russian troops as one of the most important achievements of his government's foreign policy. Although the last combat unit did not leave on 30 July as planned, "this issue is already over" for the ordinary Latvian citizen, Birkavs said.

Replying to a question about the possibility of a resumption of broadcasts of Russian television programs that were stopped a year ago, Birkavs said: "I see no obstacles of a political nature, but I will not provide any state money whatsoever for this."

Summarizing the development of relations between Russia and Latvia, the prime minister said that, in his view, quite a lot had been done in this regard from the Latvian side. "And it seems to me that Russia understands the need for normal relations with Latvia. This course should be continued," he concluded.

Lithuania

President Expresses Condolences on Woerner's Death

LD1508195894 Vilnius Radio Vilnius in English 1900 GMT 15 Aug 94

[Text] President Algirdas Brazauskas of Lithuania has sent to the NATO headquarters a telegram of condolences on the death of the general secretary of NATO, Manfred Woerner. The telegram reads that the late NATO secretary general had made a major contribution to the preservation of peace and stability in Europe, and his death is a great loss to the North Atlantic Treaty Organization. The Lithuanian president also expressed his condolences to the family members of the late Manfred Woerner both personally and on behalf of all the Lithuanian nation.

Ignalina Nuclear Plant Resumes Operations

LD1508201294 Vilnius Radio Vilnius in English 1900 GMT 15 Aug 94

[Excerpt] The Ignalina nuclear power plant has resumed operations at a higher wattage after a minor accident last week, and now is able to meet Lithuania's daily consumption of electric energy and even to export it. At present both generators of the plant's first nuclear reactor are operating.

On 9 August the automatic safeguard system shut down the only working generator of the first unit because of some undetected failure. As it turned out later, the reactor was disconnected from [word indistinct] electricity line. According to the state nuclear safety inspection, similar accidents take place in nuclear stations all over the world rather often and had earlier occurred in the Ignalina plant as well. [passage omitted]

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